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The Nation's Business

See Concerted Drive To Break Ceilings

Alarming things are happening to Canada's ceiling policy on wages and prices.

There is the deliberate undermining of the wage ceiling by the government itself in the steel strike settlement. How far Ottawa will go before it reaches the end of that road is not yet clear. At the moment the new National War Labor Board is wrestling with technicalities. At the same time a new wave of labor organization is sweeping across the country. Union organization is not anti-social. But the type of organization which is predicated on breaking the government wage ceiling and using the steel settlement as a lever to build union membership, must definitely be considered a menacing threat to everything this country has tried to do to prevent uncontrolled inflation.

Then there is the concerted attack on the price ceiling. Both the official opposition and some members of the government are definitely, though covertly, sponsoring this attack. But, as Mr. Ilsley said in his budget speech, none of them go so far as to openly advocate abandonment. The attack on the price ceiling is predicated, apparently, on the view that Canadian farmers are the forgotten men of the war effort, that they are bearing the whole sacrifice of keeping down the cost of living.

Do these various interests realize that they are toying with dynamite?

Do they wish our anti-inflationary policy to fail?

No one will deny that there have been inequities in the wage stabilization policy and in the ceiling policy as it has been administered in the past 18 months. On the other hand, events of recent weeks suggest that there is little apparent realization of the dangers and pitfalls which would almost certainly befall this country if the whole policy were to be abandoned.

Clearly the prime responsibility rests with the government. It must stiffen its resistance to a trend which has been fast developing into one of concession-making only, or it will soon find its position untenable. Mr. Ilsley gave the proper lead when he stated:

> "We have reached the point when the demands of some labor representatives and of some farm representatives cannot both be satisfied."

As well there is equal responsibility on the part of the Opposition and also on the leaders of labor. They must prevent wide open bidding of group against group for "benefits" which in the long run, can only lead to disaster for all.

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FRANK TALK WELCOME ON AID TO RUSSIA

U. S. Ambassador Standley's press conference in Moscow this week brings into the open the vexed problem of Allied aid to Russia. Though official Washington professed to be shocked at the frank criticism of its representative in the Soviet capital, unquestionably Admiral Standley was not airing merely a personal opinion. He told correspondents that he did not think the Russian people were being told the complete story of the immense amount of equipment and food that had been shipped to them by their major allies. Bluntly stated Admiral Standley:

> "There's no question about the Soviets trying to create the impression abroad as well as at home that they are fighting the war alone."

There might be some excuse for this sort of propaganda for home consumption as a stimulus to greater war sacrifices and production, but beyond the boundaries of the Soviet it can only be described as disturbing and dangerous. In fact, it is all too similar to German propaganda aimed at splitting the English-speaking democracies from Russia.

Actually, of course, Canada, Great Britain and the United States have shipped tremendous amounts of material to bolster the Red Army and at no small cost in lives and ships.

Up to the end of last year, Canada contributed $100 millions in goods of various kinds, and the United States in the same period one and a half billion. Tanks, motor transport, aircraft, munitions, guns, machinery and food have gone in an ever-increasing stream to help in the defense of Stalingrad and the Soviet offensive this winter.

Detailed figures of United Kingdom aid are not available but it is well known that even British home defenses were stripped in order to keep tanks, aircraft and munitions moving to Russia. And the British navy has freely sacrificed the equivalent of a formidable battle fleet in keeping the sea route to Murmansk open.

So common are British and American cars, trucks, planes, tanks and other equipment on the Russian front that onlookers cease to notice them, A.P. correspondent Henry C. Cassidy, mentions in his current series of articles on Russia. Cassidy also reports seeing much North American food even in the remote corners of the Soviet.

For no satisfactorily explained reason, this immense help has been deliberately soft-pedalled if not completely ignored by most Soviet spokesmen, including Premier Stalin in his latest speech. It is treated in the same way by a lot of sentimentalists on this side of the Atlantic and in Great Britain, whose justifiable admiration for Russia's grand fighting job has blinded them to the sacrifices the British nations have been making since September 1939.

The fact that substantial quantities of British and American equipment were used in halting the Nazis last fall and in routing them this winter, does not detract one iota from the courage and tenacity of the Russian Army. But we should recognize that this aid was important, if not vital in turning the tide. We must continue to maintain it on the Russian and every other front where we meet the common enemy. But to ensure enthusiastic co-operation between the allies, there must be no pretence that one of them, and particularly the one that had a deal with Hitler for the first 20 months of war and still has a deal with Japan, is doing the whole job unaided.

• • •

RED TAPE STILL A MENACE

Hundreds of accountants, bookkeepers and clerks are engaged checking accounts of war contracts that have already been checked, rechecked, and double-checked, charges a memorandum submitted by a large group of Canadian companies to the Department of Munitions and Supply. This memorandum, reported in a special article on this page, also alleges that cost and frill cutting is actually penalized. It states:

> "If, for example, Manufacturer A can produce an article for $10 where Manufacturer B produces it for $20, Manufacturer B will, upon the interpretation of your officials, receive twice the profit for the job that is paid to Manufacturer A. The incentive is not in favor of Manufacturer B striving to emulate the initiative and energy of Manufacturer A, but is rather in the line of assisting or at least persuading Manufacturer A to emulate the inefficient methods of Manufacturer B."

These are most serious charges and should be investigated and remedied without delay. In this war, it is absolutely vital that red tape be ruthlessly eliminated. The one job is to turn out munitions and equipment and to do that in the greatest possible volume and at the greatest possible speed.

Inspection, of course, is necessary and some accounting of costs and records seems inevitable, but this duplication and other red tape charged by this group of manufacturers at a time when our very existence depends upon our output of armaments, is wholly out of keeping with an all-out national war effort.

Need Higher Egg Output Ottawa Says

British Want 60 Million Dozen, Domestic Use Climbs; See Food Shortage Tightening

By IAN SCLANDERS

OTTAWA.—Hard hit by lack of labor and by a growing shortage of proteins for feed, Canada's poultry industry expects to have difficulty reaching this year's producton target of 345 million dozen eggs.

That objective is considered the minimum if huge commitments to Great Britain are to be filled, if the doubled egg ration of the armed forces is to be continued, and if civilian demands in Canada—greatly stimulated by the scarcity of meat—are to be met.

In addition, eggs are important in the programme by which the United Nations hope to pour food into starving European countries when the Germans are driven out, since they afford a concentrated form of nourishment. It is realized here that once the invasion of Europe is launched, once we start liberating the enslaved countries, there will be millions of extra mouths to feed. The closer our forces drive to Berlin, the greater this number will become, and the tighter our food situation will grow at home.

At present the Department of Agriculture is making concentrated

(Continued on page 2, col. 4)

He Collects the New Taxes

—Photo for The Financial Post by Malak.

Most of the tax headaches arising out of the new budget will fall on the broad shoulders of David Sim, Commissioner of Excise in the Department of National Revenue. Mr. Sim, who came to Canada from his native Scotland in 1911, first arrived in Ottawa in 1927 as private secretary to Hon. W. D. Euler, served two successive ministers so well that in 1934 he was named Commissioner of Excise. Today one of his biggest jobs is the administration of alcoholic beverages and tobacco under the W. P. T. B. He has been with the board since it was first organized in Sept., 1939.

Elson from Washington

Diplomatic Double Play?

Admiral's Blunt Remarks at Moscow Cause Speculation

By ROBERT T. ELSON

WASHINGTON.—Were U. S. Ambassador Standley's "out of turn" remarks about the Soviet Union this week part of a diplomatic double play? Officially the answer is no—with a decided emphasis on the negative. But the belief still persists that perhaps the blunt seadog who turned diplomat possibly may have paved the way for closer relations with the Soviet.

It is no secret that London and Washington urgently want Russia to come to the council table now and talk over postwar economic policies and some political questions. Vice-President Henry A. Wallace said that a decision must be made this year or next for unless the western democracies and Russia come to "a satisfactory understanding," world war No. 3 might become inevitable.

Acting Secretary of State Sumner Welles, who disavowed responsibility for Rear Admiral William H. Standley's censure of Russian failure to credit America for lease-lend shipments, did not criticize Mr. Wallace. The vice-president's intentions were so self-evident that comment was unnecessary, he said.

But many people felt the fact that the American ambassador to Moscow should even feel that there were some phases of relations with Russia unsatisfactory enough to warrant talking about them to U. S. correspondents evidenced present lack of complete understanding. Where Standley made his mistake was in raising the question of whether the Soviet Union told its people about American aid.

The real point is whether the Soviet Union and the United Nations are going to play ball now and in the postwar period.

Postwar economic talks are about to begin. Political questions are flaring up—witness the fight between the Polish government-in-exile and Moscow. Every official spokesman in Britain and the United States agrees that the time to tackle these problems has come—and they want the Soviet Union to join the talks. Without Russia, prospects aren't bright for an enduring peace.

Thus the suggestion in some circles that Standley's remarks might have been designed to prod the Soviet government. Probably this is wide of the mark but there isn't any doubt the incident gave Mr. Welles a new opportunity to emphasize the need for complete trust and complete collaboration between all United Nations.

How U. S. Reacted to Canadian Budget

Canada's new budget has been greeted with almost unanimous praise on this side of the border. Mr. Ilsley's policies appeared, from press comment, to be all things to all Americans.

Ernest Lindley, who so often reflects the administration viewpoint in his nationally syndicated newspaper column, said, in effect, that Congress should give the American people a dose of the same medicine. He said Canada had always set Congress a good example in sound fiscal policies for war, and recommended higher U. S. taxes, nearer the Canadian scale, to combat inflation.

In Congress opponents of the Ruml plan were inclined at first to see in the "fifty cents on the dollar" Canadian settlement of tax claims a working compromise for this country. Tax experts of Congressional committees sent immediately for details of the Canadian scheme. But at this writing the Ways and Means Committee has dropped all proposals for "forgiveness" of 1942 indebtedness, as suggested by Mr. Ruml and others, and appears likely to recommend a 20% withholding tax to go into effect on July 1.

This would not be "pay as you go," either as Ruml understands it or according to the Canadian system. The 20% would not be an additional tax but would be applied against existing tax liabilities now on the statute books, including the 5% over-all victory tax and income taxes at current rates.

Pay-as-you-earn Still Big Issue

That doesn't mean that the Ruml plan is dead. Far from it. Representative Carlson of Kansas is pledged to bring it to the floor and there will be a hot debate with the growing public support exerting its powerful pressure on individual members.

The Scripps Howard newspapers, which have carried the torch for Ruml's idea most consistently, hailed the Canadian scheme for settlement of past tax claims as complete vindication of Ruml's original idea of turning the clock a year ahead.

There is more enthusiasm than accuracy in this but it confirms the view that if Canada had adopted the Ruml plan in full, pressure would have been almost irresistible for similar enactment here.

As it is the Canadian budget enhanced the prestige the Dominion has already gained by its belt-tightening, self-denying financial measures. Canada's American neighbors look on her with admiration, if with some understandable reluctance to take the same medicine.

Transit Plan Covers 500 War Plants

Assures Continued Auto Transportation For 113,000 Workers; Still Growing

Canada's Industrial Transit Plan now takes in 500 plants with a total of 400,000 employees, and is still growing rapidly, according to Transit Control officials.

Of the 400,000 workers in the factories covered, 113,000 travel to and from their jobs in 25,000 automobiles for which special gasoline allowances and tire ration privileges have been authorized under I.T.B.

The average load is 4.5 passengers per car. On the basis of a recent survey, authorities estimate that 18,000 cars formerly used daily by their owners to get to work are no longer used for this purpose.

This is due to the "doubling up" which has taken place. I.T.P. provides that to be eligible for the extra gasoline quota each automobile must carry the maximum number of passengers practicable.

It is claimed that the 18,000 cars were driven an average of 16 miles a day each, transporting owners to and from work. On this basis the saving from I.T.P. would approximate a quarter of a million miles daily.

40% Coverage

With 400,000 employees, the plants now covered have about 40% of Canada's one million war workers. It's expected that the percentage of coverage will greatly increase in the next two months.

Announcement of new and stricter gasoline rationing has given impetus to the plan.

First step, when management of a plant decides to apply for participation, is the filling in by all employees of a questionnaire. This asks where they live, how they travel to work, what public transit facilities are available, whether they own cars.

The information this produces indicates whether I.T.P. is necessary

(Continued on page 2, col. 2)

Municipalities Seek Broader Tax Base

Action Follows Temporary Default by Mining Townships

Following temporary default on some of their debentures by the Ontario townships of Teck and Tisdale, action is being taken toward broadening the base of taxation by such mining municipalities. Both Teck, in which are some of the large Kirkland Lake mines, and Tisdale, in which are the big Porcupine area producers, have suffered substantial losses in revenue through increased Dominion taxes on the mines, and through decreased production.

Application to Ottawa is being made on behalf of the mining corporations for legislation which would give the mining companies authority to deduct municipal taxes as a cost of doing business. It is understood that the municipalities want the change made retroactive for the corporations so as to apply on 1942 income. The change would mean a fairly substantial increase in revenue to the municipalities concerned, small net difference to the individual companies and probably what would be a very minor decline in Dominion revenues.

Dominion permission to make the changeover has already been

(Continued on page 2, col. 2)

Higher Paper Price Criticized in U. S.

See Ottawa Statement Needed to Explain Facts of Canadian Newsprint Policy and Remove American Misunderstanding

By KENNETH R. WILSON

WASHINGTON. — Much unwarranted criticism of Canada is going to stick unless some clear answer is made on a high government level to stories going the rounds about Canada's newsprint price and paper ration policy.

At one off-the-record meeting attended by influential publishers and editors this week it was openly charged that Canada's bungling and ignorance of its own statistical position on pulpwood was responsible for the apparent volte face in withdrawing the impending April 1 ration cut on newsprint and other papers.

It is also being charged here that Canadian officials and newsprint operators were simply doing a smart bit of horse trading when they "threatened" to cut consumption by a further 10% and that "once Canada got its higher newsprint price it didn't take long to produce the extra newsprint and pulpwood."

On this last point the evidence seems clear and irrefutable that there was no connection between a further cut in consumption and an increase in price. By chance, the long overdue adjustment of newsprint prices, which should have been settled much earlier had not Leon Henderson resigned, came to a head just about the time the other announcement was made. But considerably before either matter reached decision, individual Canadian newsprint manufacturers made it very clear in published press statements and interviews that they were strongly opposed to the cut and that on the basis of presently known facts a further immediate cut in consumption looked unnecessary. Had Canadian interests been really wanting to "horse trade" such an attitude would hardly have been taken.

Price Increase

Another point on which there is still ignorance and misunderstanding of Canada's position is in regard to the $4 per ton price increase.

I was told by an American official that Canada asked for $8 a ton but that on the basis of "political" and other considerations our demand was cut in half. From a Canadian point of view the entire $8 increase seems to have been amply justified but there is room for a much stronger and more complete statement of the case than has so far been made public.

Prentiss Brown, new U S. price administrator, is frank to admit the strength of the Canadian case and has so put himself on record, but the Canadian side of the story has yet to be fully told.

The same thing is true about the confused and distorted facts of paper and newsprint rationing.

Because Canada leaned over backwards in trying to be completely fair in meeting a complex and difficult situation we seem to have got ourselves thoroughly misunderstood and misjudged.

From the supply side there has never been any intention on Canada's part other than to make available every possible ton of pulp and paper which a tightening manpower and materials situation could produce.

Political Pressure

On the other hand it was the political hullabaloo at Washington as much as any other factor which helped bring about the recent decision against a further cut. There is little appreciation of the fact that pulp used now instead of conserved will in all probability mean larger cuts later on.

Canada has many supporters in this country anxious to give us the breaks once the facts are made clear, but this whole price and ration picture in respect of newsprint and other paper seems to require a much more authoritive statement of Canada's position than has yet been issued.

C.P.R. Tank Work Plan Cancelled

From Our Own Correspondent

MONTREAL. — Cancellation of the programme calling for the manufacture of Valentine Tanks and S.P. Mounts at the Angus Shops of the Canadian Pacific Railway is announced in a letter sent by Hon. C. D. Howe, Minister of Munitions and Supply, to D. C. Coleman, president of the railway. The changing character of the war is given as the reason for this action.

At the same time Mr. Howe announced that the Angus Shops capacity is to be turned over to the production of components for another programme, which "enjoys top priority on our list of war equipment."

How Canada Will Achieve $4.9 Billions for War

With the budget speech last week, and the subsequent publication of the military estimates for 1943-44, Canadians obtained their first glimpse of the manner in which the Dominion is to spend on war in one year almost five times as much as was spent on the Great War in over four years. The following table condenses the estimates:

WHERE THE MONEY GOES

	1942-43	Estimate 1943-44	Increase
	Millions		
	$	$	$
FOR WAR:			
Army	1,078	1,764	686
Air Force	627	1,129	502
Navy	208	489	281
Gift to U. K.	1,000	‡1,000	.....
Munitions and Supply	689	166	†523
Dept. of Finance	99	144	45
Other war costs	102	198	96
	3,803	4,890	1,087
NON-WAR:			
Total expenditures	667	610	†57
Total of all expenditures	4,470	5,500	1,030

WHERE THE MONEY COMES FROM

	1942-43	Estimate 1943-44	Increase
	Millions		
	$	$	$
TAXES AND REVENUE:			
Personal income taxes*	568	956	388
Corporation and E. P. taxes*	805	850	45
Sales tax	230	225	†5
Excise and Customs duties	260	235	†25
Other taxes and revenues	446	486	40
Less: Refundable tax	100	225	125
	2,209	2,527	318
TO BE BORROWED:			
Refundable taxes	100	225	125
By bonds, treasury bills, etc.	2,161	2,748	587
Total income, all sources	4,470	5,500	1,030

* Includes refundable tax. † Decrease. ‡ Mutual aid.

See Red Tape Slowing Output

Manufacturers Urge Simpler Cost Determination

By JOHN E. LANGDON

Incentive to produce larger quantities of munitions and supplies, or to lower production costs, has been severely lessened by the adherence of the Department of Munitions and Supply to its Memorandum on costing.

This is the claim of 47 companies and firms across Canada which, through their association, have sent a memorandum to the Crown company through which they work, urging that the entire structure of cost accounting and auditing now in use in the Department of Munitions and Supply, including application of Costing Memorandum M. & S. 433, be abolished.

The group alleges that the department is approaching the question of the supply of war materials from the standpoint of profit rather than from production.

The association claims the first duty of a contractor producing munitions of war is to produce. The prime interest of the department is to acquire munitions and supplies of the type and quality needed as quickly and as efficiently as possible. The second duty of the contractor is to produce efficiently and at a proper and reasonable cost. The third duty is to limit his profit to that which is fair and reasonable.

No Profit Incentive

In their brief the manufacturers say that profit is no longer of much interest to Canadian manufacturers. The setting of standard profits and the harvesting of all profit over that figure by the Department of National Revenue through the Excess Profits Tax Act, has eliminated from the mind of the manufacturer almost all incentive based on the profit motive.

The incentive of the manufacturer to produce more and more war material now lies, the memorandum adds, in the patriotism and personal pride of the operator; two factors "which cannot be lightly brushed aside."

The brief says that once a job is finished expeditiously and to the satisfaction of the department, the manufacturer's statement is audited by a firm of chartered accountants at the end of the year.

Next, officials of the Income Tax Department audit his books and upon that audit he pays income and excess profits tax, leaving him his standard profit less income tax.

At this point, when normally the business for the year would be closed, the manufacturer's books undergo a third audit by the costing authorities of the Department of Munitions and Supply. Although all his accounts have already been passed by his own auditors and by the income tax department, he may be told:

(1) That the ratio of profit which he has earned, upon which he has paid income tax and almost all of which he has paid over to the government in the way of excess profit tax, is not the ratio accepted by the Cost Accounting Branch of the Department of Munitions and Supply, or

(2) That the basis upon which he has set up his costs of manufacture, which basis has been accepted by the Income Tax Department and upon which he has paid income and excess profit tax, is not the basis of the cost of manufacture which is insisted upon by the cost accountants of the Department of Munitions and Supply.

The memorandum goes on to say that the methods of arriving at what constitutes "cost" as set out in Costing Memorandum M. & S. 433 and as practised by the Income Tax Department, bear many and striking differences.

For example, Memorandum 433 does not permit a manufacturer to take into the determination of his costs losses on other contracts.

(Continued on page 2, col. 1)

FINE APPAREL FOR MEN

MEN'S SHOP

Wet Weather Protection

Why not come in and see these smart raincoats at the Men's Shop? You're going to need a good shower coat in the weeks ahead — so we suggest you come and make an early choice.

"HYDROTITE"

A smartly-cut, raglan style raincoat of rain-resistant cotton poplin. Self-lined, with through pockets and fly-front. In fawn shades and sizes 36 to 44 in lot. Each 12.50

"LEEFORD"

A better quality raincoat, smartly cut in raglan style. Self-lined, through pockets and fly-front. Of fine Egyptian cotton in light fawn. Sizes 36 to 44 in lot. Each 25.00

THE MEN'S SHOP

Civil and Military Outfitters

at EATON'S - COLLEGE STREET

See Red Tape Slowing Output

(Continued from page 1)

If he has to borrow money from the bank to fulfill a contract, the interest on the loan is not permitted to be entered into costs.

It is argued that the department's method of approach retards the effective prosecution of the war. It makes little difference whether profits are "fair and reasonable" or whether they are unfair and unreasonable, the association says, for the E.P.T. takes care of that feature.

"(Production men) are not interested in estimating and holding a neat balance as to whether the price at which they produce urgently needed things will or will not conflict with laws, statutes, Orders-in-Council, regulations and memoranda, of which most of them are entirely ignorant. This insistence by the Department of Munitions and Supply and of your company of requiring production men to familiarize themselves with the ramifications of governmental regulations is the very thing which is designed to slow up production, to destroy initiative and to hamper energy, and will result, without question, in increased rather than decreased cost."

It is also emphasized that under existing regulations, there is no reward for initiative or energy. Actually, the memorandum claims, there is a penalty involved in the decrease in cost.

"If, for example, Manufacturer A can produce an article for $10 where manufacturer B produces it for $20, Manufacturer B will, upon the interpretation of your officials, receive twice the profit for the job that is paid to Manufacturer A. The incentive is not in favor of Manufacturer B striving to emulate the initiative and energy of Manufacturer A, but is rather in the line of assisting or at least persuading Manufacturer A to emulate the inefficient methods of Manufacturer B."

In the conclusion, the association submits several recommendations:

(1) That the existing policy in contracting for supplies at a fixed contract price be continued.

(2) That the entire structure of cost accounting and auditing now in use by the Department of Munitions and Supply be abolished.

(3) That the ascertainment of what constitutes "cost" be determined by the existing system of internal audit, certified by chartered accountants, and thereafter accepted and approved by the Income Tax Department of the Department of Munitions and Supply.

(4) That any question of refund of any amounts which may be beyond the definition of a "fair and reasonable profit" be left to the incidence of the Excess Profits Tax Act.

Finaly, the association says an additional advantage of these suggestions is that many skilled accountants and clerks who are at present engaged in checking and rechecking accounts which already have been checked, rechecked and double-checked, will be released for more constructive work.

Transit Plan Covers 500 War Plants

(Continued from page 1)

for a particular plant, and, if so, how employees may be grouped for transportation purposes. Next—if the application is approved by Transit Control—comes appointment of a plant transit officer, an employee who gives his services voluntarily and is deputized with certain powers.

On recommendation of the plant transit officer, a quota of car owners, who agree to drive fellow workers daily, get special ration coupons. The gasoline to which they are entitled depends on how far they live from the plant. It is only enough for the round trip on each working day of the month.

I.T.P. coupons do not affect the car owner's right to get an AA ration, on the same basis as any other citizen.

Ontario is further advanced with I.T.P. than other provinces, has 340 plants with 15,300 approved cars in the scheme. Next comes British Columbia, with 62 plants and 4,700 cars; then Quebec, with 55 plants and 3,800 cars. The prairies have 10 approved plants with 310 cars, and the maritimes 29 plants with 1,000 cars.

The figures for Quebec are low in relation to population because the plan was slow getting started there. This was due to difficulty in arranging insurance coverage under Quebec laws. The regulations under which I.T.P. functions provide that all participants in the plan must be fully covered by insurance. Insurance companies have granted such coverage at low rates.

C.P.R. '42 Net Best Since 1929

Earn $2.63 a Share; Carry Forward $35.3 Millions to Surplus

From Our Own Correspondent

MONTREAL. — Canadian Pacific Railway earned $2.63 a share on its ordinary stock in 1942, compared with $2.18 the year before. The return was equal to 10.52% on capital and was the best showing made by the company since 1929 when 11.15% was earned.

Gross operating income last year of $256.8 millions established an all-time record. Working expenses were higher, as also was other income due, in part, to lower depreciation reserves.

Income available for fixed charges of just over $64 millions was the second highest figure ever reported and compares with the all-time record of just under $64.4 millions established in 1928.

Fixed charges, including Soo Line guarantees, aggregated $23.7 millions, a drop of $3.2 millions from the high reported in 1938. It is worth noting that fixed charges represented only 9¼% of gross operating income. A 10% figure is considered highly satisfactory.

Income Account

	1942	1941
Gross earns.	$256,864,091	$221,446,053
Expenses, inc. tax	208,676,402	175,438,517
Net earnings	48,187,689	45,957,536
Other income	15,861,034	13,382,059
Net revenue	64,048,723	59,339,595
Fixed charges	22,955,503	24,228,698
Soo interest	738,953	749,465
Net income	40,354,267	34,361,432
Pfd. dividends ...	5,042,782	5,042,782
Surplus for year ..	35,311,485	29,318,650
Details of Other Income		
Dividends	$ 4,620,888	$ 4,622,559
Other income	7,485,629	4,961,830
S. S. earnings ...	2,888,278	2,788,297
Hotels, etc.	866,239	1,009,373
	15,861,034	13,382,059
Profit and Loss Account		
Previous balance .	$170,385,936	$144,045,295
Current surplus ..	35,311,485	29,318,650
	205,697,421	173,363,945
Less:		
Loss lines aban.	3,576,565	1,307,977
Exchange adjust.	846,871	1,676,032
Misc.	23,502	......
Balance forward .	201,250,483	170,385,396

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Investment Trusts

	Bid	Asked
Affiliated Funds	2.73	2.99
Can. Int. Trust	4.25	4.75
Can. Invest. Fund	3.60	3.95
Can. Investors	5.00	...
Corp. Investors	5.80	6.30
Trans-Canada	10.40	11.30

Bond Tenders

Mar. 11, Canada Treasury Bills—$55,000,000, dated Mar. 12, payable June 16, 1943.

Seek Changes In Taxation

(Continued from page 1)

granted providing that the House passes the following resolution that appeared in last week's budget:

> That the taxes payable and paid to a municipality pursuant to the provisions of subsections 6, 9 and 11 of section 30 of the assessment act (Ontario) R.S.O. 1937, chapter 272, which are deemed to be taxes on real property, may be allowed as a deduction from the income of any mining company; provided that the said assessment act is so amended as to provide that in assessing the said taxes payable to the municipality, taxes payable by a mining company under the Income War Tax Act and the Excess Profits Tax Act are not allowed as a deduction.

Thus the main point of discussion with Dominion authorities would appear to be over the retroactive feature. After that it will be up to Ontario to amend its assessment act.

In most Ontario municipalities taxes on industrial companies are included in the cost of doing business before computing profits for Dominion income and excess profits taxes. This does not appear to be the case with mining companies.

With mining companies, the Dominion taxes are first levied on profits and municipal taxes are applied on the balance. The municipal rate is 1½% on profits up to $2.3 millions and 2½% on profits above that figure. With Dominion taxes now 40% of profits this means that the municipal levy would be on 60%. Should municipal taxes be regarded as a cost of doing business, and thus be deducted before Dominion taxes, it would mean the levy would be on a much broader base of profits.

Effect of the proposed changes would be to put municipal taxation of mining companies on a basis similar to that of industrial companies.

The War and Business . . . .

Western Crude Shortage

Growing wartime demand for crude oil from Western Canada is said to be partly responsible for activities which may lead to major pipe-line building activity in the Rocky Mountain area of the United States, the Oil & Gas Journal reports. Large shipments of crude oil from Wyoming and Montana to Canada have been underway recently. Imperial Oil Ltd. is reported to have purchased 250,000 bbls. of light oil for movement to Canadian plants. Standard Oil of New Jersey, parent company for Imperial Oil, recently bought holdings, production and refinery of the Santa Rita Oil & Gas Co. in the Cut Bank field, across the Canadian border in Montana, a move said to be aimed at providing additional crude for Canadian refineries.

• • •

Behind Russian Drive

Military observers are beginning to wonder just how long the Russian communication lines can stand the strain of the big advances this winter.

Most of them believe that a prime factor behind the recent Nazi defeats in south Russia was the over extension of communications and consequent breakdown of transport behind the lines. With two or three hundred miles of newly reconquered country behind them, this same factor now would normally work against the Russians also.

One way that the Russians have overcome it, according to a competent Washington source, is by the successful and immediate conversion of captured German transport and material to their own use. Apparently great quantities of transport equipment—trucks, trains, gasoline dumps, as well as serviceable armament have been captured intact by the Russians and immediately put to use. On the other hand in the slower Soviet retreat of last summer most abandoned material, it is believed, was destroyed.

• • •

Beer and War Work

Personnel managers of some plants feel that federal restrictions on the sale of beer, designed officially to check "absenteeism," may prove a boomerang. At Polymer Corp., in Sarnia, one day recently, 400 workers quit early "to get a drink of beer while the taverns are still open." In a Toronto plant, a number of workers stayed away from work for a day, explaining that if they worked they would have no opportunity to buy beer for the weekend, under existing regulations.

In another plant signs are reported to have appeared announcing: "No beer, no work." And at London, Ont., a meeting was held by war veterans and trade union members, to discuss plans for an "anti-prohibition" drive. Beer restrictions have resulted in beverage rooms and brewers' warehouses running out of beer early in the day. A manager of one factory has suggested that beverage room and warehouse hours should be fixed as from 3 to 5 in the afternoons and 8 to 10 in the evenings.

• • •

No Change

Recently announced Wartime Prices & Trade Board orders prohibiting manufacture of a number of household appliances such as radios, vacuum cleaners, washing machines, do not actually mean any change, The Post is told. Manufacture of radios, for example, has been halted for several months although limited production of repair parts continues. The same is true of washing machines and refrigerators. The announcement places in effect a change in jurisdiction over control of these items, transferring them from other agencies to Wartime Prices & Trade. Otherwise it does not mean any important alteration in the position of this section of industry.

Higher Egg Output Needed

(Continued from page 1)

efforts to up egg output—is preaching that to keep a flock of hens is both profitable and patriotic. But, in our tight wartime economy, the campaign runs into some odd snags. One of these is Canada's plywood bomber programme. Skim milk is the source of casein, an ingredient of the plastic with which the plywood is bound. Skim milk is also the source of proteins for chicken feed. The bombers and the hens compete.

The hens must also compete with hogs for their proteins—at a time when everything possible is being done to encourage production of the maximum number of hogs so as to provide bacon for Britain.

Canada's 1943 objective of 345 million dozen eggs compares with 200 million dozen produced in an average year before the war.

Eggs For Britain

Of the total, 60.5 million dozen will go overseas to Britain in powdered form, while the armed forces in Canada alone will need 7.5 million dozen. When the meat and fish ration of our fighting men was cut 25% early in the year, the egg ration was doubled.

Civilians, meanwhile, are eating more eggs than ever before in history, due to full employment, the meat shortage, the fact that certain canned foods can no longer be obtained, and an awakened interest in nutrition.

Biggest development in the poultry industry, agricultural officials say, is in powdered eggs. For years we had a relatively small business in Canada in powdering eggs for baking plants and other food manufacturers.

The war turned this into a business which will have a $30 millions turnover this year.

Saves Shipping Space

In 1942 Great Britain bought 37.5 million dozen eggs from Canada, to be shipped in the shell, but only four million dozen had been forwarded when orders came to powder the balance, due to lack of shipping space. (Thirty dozen eggs in shell require 2½ cubic feet of space, whereas the same quantity of powdered eggs can be stored in three quarters of a cubic foot).

There were, at that time, three egg drying plants in the Dominion—Canada Egg Products, at Saskatoon, Joe Lowe Corp., at Winnipeg, and Canadian Doughnut Co., Trenton. They were given all the orders they could handle. In addition two milk drying plants, those of Ottawa Dairies, at Ottawa, and Borden's, at Belmonte, were quickly converted for egg drying.

Four new plants were built—one in Calgary, owned by Burns & Co., one in Edmonton, owned by Alberta Poultry Producers, Ltd., one in Winnipeg owned by Borden's, and one in Toronto owned by Swift Canadian Co.

Shipments of powdered eggs for Britain go in two kinds of packages—a 14-pound container for the catering trade, and a five-ounce package for civilians. The trademark on these is a picture of a mounted policeman.

Holds 540 Eggs

The 14-pound container holds 540 eggs in powdered form, while the five-ounce package holds one dozen—the British civilian's powdered egg ration for a month. The price of eggs is fixed in Britain, and the small package retails for one shilling ninepence.

According to S. C. Barry, assistant chief of poultry products inspection service of the Department of Agriculture, the powdered eggs going to England retain the nutritional qualities of fresh eggs and are excellent for scrambled eggs, omelets, and for all cooking purposes.

The powder is made from Grade A eggs which are shelled, mixed, sprayed under pressure from very fine jets, dried into powder by hot air. Great care is taken in temperature control, and some improvements have been made in processing.

There is some difference of opinion about the postwar prospects of this branch of the poultry industry, but Mr. Barry believes there will be a substantial permanent market.

For one thing Britain always imported large quantities of dried eggs from European countries and the Orient. It is likely that Canada, as the wartime source of supply, will retain at least part of the British market.

Then our own domestic market will in all probability expand, with an increase in the use of powdered eggs by bakeries and also, provided there is an effective merchandising campaign, by housewives.

Mr. Barry sees powdered eggs largely as a non-competitive agricultural product—a product that won't displace anything else to any degree but will be used to reinforce our diet. He points out that vitamin-conscious housewives will be able to use egg powder in such dishes as puddings, cakes, sauces.

Personnel Relations

Exit Interviewers Aid Morale

Labor Turnover Slows Where Grousers Soothed

The "exit interview" plan—informal discussion between each employee who is leaving his job and a member of the personnel staff recently publicized in the United States, has been in force in many Canadian plants for over a year.

While the work of National Selective Service and the compulsory seven-day "cooling off period" to some extent limit the necessity of such interviews in Canada, wherever it has been tried the system has proved a major aid to better plant relations.

Briefly, the system consists of a special plant officer—perhaps one of the personnel managers, or a fellow employee—whose duty it is to interview each worker who is quitting his job. Every employee is interviewed, regardless of his reason for severing connection with the company.

Call in Foreman

Some personnel managers are in favor of calling in a man's immediate foreman, particularly in the case of "grudge" resignations. Often, they say, the whole trouble can be eliminated, in the latter case, if the men can be shown they are behaving foolishly.

"All you have to do is make them laugh at themselves," one well-known personnel expert adds.

While figures are not available on the actual number of plants which have tested and now use the exit-interview technique, the number is believed to be large. In many cases the job is included in the duties of the personnel manager.

Edgar B. Jacobs, personnel supervisor for Massey-Harris aircraft plant, in Ontario, believes the system one of the major employee-employer developments of the war.

"Employees receive better treatment today than they have at any other time in the world," he says. "Our system of talking with them before they leave, and persuading them to stay, if there is any way in which it can be arranged, is only one example of the employers' new outlook.

"Nowadays employees get the utmost co-operation. They have to, with the labor situation as tight as it is, and increased production a vital necessity. But today's findings will prove a blueprint for plant management after the war," Mr. Jacobs states.

Square Deal the Basis

Employers try to give their workers "more than an even break" in their final interviews. If they are dissatisfied with their present job, other jobs in which they might be more happy are sought. They are urged to speak freely.

Most personnel advisors find also that the cases in which they have failed to adjust an unsuitable employee to his work are those in which family troubles or some matter beyond the jurisdiction of the employer is to blame.

The personality of the man or woman in actual contact with disgruntled workers is considered important. A person suitable for exit-interviewing must be one in whom people will readily confide, and who is sympathetic to the problems of others.

They must be prepared to take the employee's side of any issue as well as the employer's, in many cases considering the worker in the right and the management wrong.

Decision Final

Their decision must also be final with the management. A personnel supervisor whose boss is continually reversing his opinions has little chance of obtaining confidence of the men he is working with, or in his own job.

They must possess a large measure of tact and an evident discretion. They must know how to make a man or woman "talk," and when it is necessary to break a confidence in favor of the management. They must have the full support and co-operation of both their manager and the workers.

Success varies with the capabilities of the interviewer, but it is estimated that in 75% of the cases which come to their attention expert personnel men are able to retain the employee who would otherwise be lost.

Estimates of the number of men kept on a large factory staff as a direct result of the plan run as high as 11%.

One personnel manager recommends, in the case of an employee with whom all effort at re-establishment on the staff has failed, that Selective Service be informed, briefly, of his talent and characteristics. Usually it can be done in a phrase, examples being: "Wants more money," "Thinks he's worth more," or "Finds hours too long." In most cases it is apparent that the employee is wrong, and the management right, but the credo of a successful personnel advisor must be "the employee is always right."

In plants where the system calls for a three-sided interview, between the relations man, worker and foreman, it has been found to have an added advantage in that the foreman himself gains experience.

In cases where the foreman has been called in and the personnel advisor arbitrated the dispute which had decided the worker in favor of leaving, the same foreman will have fewer dissatisfied workers in future.

An employee who has been shown that the management is taking a personal interest in his progress and work will also be prone to turn in better workmanship and step up his production.

Even in cases where the interview has failed, and the employee cannot be persuaded to remain, it will improve the reputation of the company and, subsequently, their possibility of obtaining full employment quotas, if he leaves feeling that the company had done all in their power to keep him and has a favorable attitude toward its workers.

Consumers Glass Co. common stock, of which a block of 60,000 shares was recently redistributed, has had its stock admitted to trading in the unlisted department of the Montreal Curb Market.

OUR *Fighting* WORKERS Give Wings To Victory

Workers and management, heroically speeding up the number of bombers, fighters and pursuit planes, are playing their part in the battle of production to bring victory. May the flow of war machines keep ever mounting until the United Nations have achieved victory. Through hundreds of branches across Canada the Bank of Montreal is co-operating with war-time workers and industries.

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Company Reports

G. Tamblyn

Sales of G. Tamblyn Ltd. in 1942 totalled $4.8 millions, an increase of $358,818 over 1941, and representing the largest sales volume in the history of the company.

Profits on the year reflected improved sales to some extent, but H. G. Browne, vice-president, notes that only during the last six months of the year were the company's profits subject to 100% E.P.T. For the current year the whole year's profits will be subject to the full impost and earnings available for dividends will, therefore, be lower.

Income, Surplus Acct., Years Ended Dec. 31

	1942	1941
Operating profit	$ 464,099	$ 370,942
Add: Int. rev.	3,609	2,250
Prof. sale assets ...	12,195	......
Empl. fund w/b ...	......	7,804
Less: Dirs. fees	1,950	1,920
Exec. remun.	62,641	63,442
Depreciation	34,812	35,466
Amortization	14,523	12,548
Bank int.	138	......
Taxes	*222,811	137,448
Loss sale assets	......	137
Net profit	143,027	130,685
Less: Pref. divds.	15,000	15,000
Com. divds.	89,600	89,600
Surplus for year	38,427	26,085
Add: Prev. surplus ..	530,177	507,853
Tax adjust.	14,950	d3,761
Surplus forward	583,554	530,177

*Including $18,435 refundable portion.
d—Deduction.

	1942	1941
Earnings per share:		
Preferred	$23.84	$21.78
Paid	2.50	2.50
Common	1.14	1.03
Paid	0.80	0.80
Working capital	$786,441	$715,933

Easy Washing

War work will in some measure offset displacement of the normal business of Easy Washing Machine Co., F. C. Dynes states, reporting on the year ended Dec. 31, 1942. Under present conditions, Mr. Dynes points out, with the total stoppage of washing machine production and new products banned under federal order, the company is faced with an entirely new situation. Every effort will be made to maintain the organization for normal business after the war.

While the war work the company has undertaken will help to keep the firm in operation, under the present system, rigid profit control is stated to be such that very little residual profit can be expected from war contracts.

Income-Surplus—Years Ended Dec. 31

	1942	1941
Gross profit	$ 133,949	$ 187,541
Less: Expenses	76,150	112,957
Inc. & E. P. taxes ..	23,500	47,000
Less: Price adjust. ...	12,821	......
Add: Misc. income ..	4,101	4,787
Net profit*	27,879	32,370
Less: Pref. dividend ..	4,501	6,752
Surplus for year	33,899	25,618
Add: Tax adjust.	4,000	......
Add: Prev. surplus ...	140,259	114,640
Refundable tax	2,300	......
Surplus forward	167,637	140,258
*After Depreciation:		
Ordinary	7,486	9,676
Special	18,794	6,372
Earned per share:		
Preference	$5.97	$5.03
Paid	.70	1.05
Common	0.76	0.91
No common divds. paid		
Working capital	$228,413	$185,579

Nat. Breweries

National Breweries Ltd. report for 1942 records a moderate gain in gross income, but after provision for increased taxes, net profits were equal to $2.47 a share against $2.54 the year before.

In his report to shareholders, Norman J. Dawes brought out that taxes, licenses and duties provided during the year by the company and its subsidiary totalled $15.3 millions, or 63% above the 1941 figure. In respect to rationing of the sale of beer to 90% of the amount sold in the 12 months ended last October, he said the reduction was considerably greater than 10%. This, added to the increasing demand for the company's products, he added, results in a demand exceeding the supply by more than 40%.

Income and Surplus Account Years Ended Dec. 31

	1942	1941
Operating profit	$4,280,661	$3,816,757
Add: Other income ..	145,617	179,469
Sale of invest.	25,977	27,515
Equip. sold	......	4,463
Total earnings	4,452,255	4,028,154
Less: Exec. remun. ..	119,283	149,750
Directors' fees	5,873	8,773
Legal fees	1,350	2,829
Depreciation	173,801	158,492
W/o property	......	29,715
Inc. & E. P. taxes ..	*2,001,000	1,650,000
Pension fund	175,000	......
Net profit	1,975,948	2,028,595
Less: Pref. dividends	194,250	194,250
Common dividends .	1,442,744	1,442,744
Surplus for year	338,954	391,601
Add: Prev. surplus ..	5,571,607	5,680,006
Invent. adjust.	170,271	......
Tax adjust.	2,493	......
Pension fund	......	500,000
Earned surp. fwd. ...	6,083,326	5,571,607
*Refundable portion $124,000.		
Earned per share:		
Preferred	$17.81	$18.28
Paid	1.75	1.75
Common	2.47	2.54
Paid	2.00	2.00
Working capital	$8,469,003	$7,518,087
Balance Sheet Changes		
Cash	$1,119,068	$1,064,172
Investments	3,732,060	4,113,912
Accounts receivable ..	2,244,312	2,498,726
Inventories	4,178,193	2,317,071

Collingwood Terminals

Collingwood Terminals, Ltd., showed a net profit for the year ended Dec. 31, 1942, of $35,412, as compared with $36,435 in the previous period. The company's deficit was reduced from $70,820 to $37,752.

Income, Surplus—Years Ended Dec. 31

	1942	1941
Operating revenue ...	$218,061	$207,833
Less: Exp. & taxes ...	55,469	52,355
Deprec. & int.	73,097	72,885
Inc. & E. P. tax	54,083	45,377
Net profit	35,412	36,435
Less: Prev. deficit ...	70,820	106,630
Amort. of deb. exp.	1,642	1,642
Dividend paid	9,586	......
Add: Profit on secs. ..	......	18
Tax adjust.	4,566	......
Refund. tax	4,318	......
Deficit forward	37,752	70,820
Earned per share:		
Pref. & common ...	$0.93	$0.98
Paid	0.25	nil
Working capital	$43,119	$52,148

J. T. Bryden To Speak At Life Institute

At the meeting of the Life Insurance Institute of Canada on March 18, J. T. Bryden, assistant-treasurer of the North American Life Assurance Co. will speak on, "The Effect of Economic and Political Thought on Interest Rates."

National Breweries Ltd. announces that W. Taylor-Bailey has been elected to the board of directors. Mr. Taylor-Bailey is vice-president and general manager of Dominion Bridge Co. and director of a number of other corporations.

Distillers Corp.-Seagrams Ltd. redeemed 400 shares of preferred stock during February, reducing the number outstanding to 156,033.

EXPERIENCED EXECUTIVE AVAILABLE

As result of wartime business dislocation, the services of this Toronto man, in his fifties, are available now. Has had extensive experience in managerial and supervisory capacities in financial and insurance fields, including several years as company secretary. Could serve effectively in any of several capacities, including direction of office staff or assistant to war-burdened management executive. Is adaptable, hard working, energetic, and of pleasant personality. Character and background of highest order. Salary requirements moderate for right opportunity. Apply nearest Employment and Selective Service Office. REFER TO H.O. 75.

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In Your Opinion—

Should We Join With Jamaica?

The Question: "What is your opinion of the revived proposal that Jamaica join Canada as tenth province?"

G. Fay Davies

General manager, National Life Assurance Co., Toronto.

It appears to be inevitable that Jamaica and Canada will develop a large and profitable trade during the postwar years. Jamaica is a rich and fertile country producing a wide variety of products which Canada wants. Canada, on the other hand, has cheap power and can produce many products which Jamaica wants. The development of trade will inevitably follow if it is permitted to do so.

Canada's demand for Jamaican products would provide employment at good wages to a large proportion of the Jamaican population. This economic improvement is much needed on the island.

Admittance of Jamaica as a tenth province in Canada would create some difficulties and I question if such a step is necessary for the development of trade. It appears to me that the differences due to types of population could be easily solved on a mutually satisfactory basis. However, there are greater problems connected with defense and equality of taxation. I doubt if the citizen of Jamaica would agree to assume a proportionate share of our taxation burden.

It is possible also that in postwar days all countries will be anxious to preserve and recognize all local national identities. As a result, the absorption of one country by another may not be popular.

Both Canada and Jamaica are British and are certain to remain so. In consequence, it seems to me that both countries should aim to develop their trade and leave future political and national ties to develop naturally throughout the years to come.

* * *

Jean Charles Harvey

Le Jour, Montreal.

If England is willing to let Jamaica join the Canadian confederation we should accept the offer. Any country which fears to assume responsibilities shows signs of weakness and will never reach greatness. Jamaica's population is over one million and she produces sugar, coffee, cocoa, rum, copra, spices, bananas, ginger, precious timber and tobacco. By joining our northern production to this tropical one our economy would be firmer and more complete. Then Canada may help develop Jamaica's resources so that it becomes a precious asset.

* * *

Eugene L'Heureux

L'Action Catholique, Quebec City.

Annexation of Jamaica to Canada appears undesirable. It is true that the production of this island differs from ours and would enrich Canada, but being distant and situated in a zone which geographically is not Canadian, administration would be much too complicated. Instead of dreaming of imperialistic expansion—which would obviously be contrary to the pacific organization of the world—let us work to consolidate our beautiful wide Dominion, by introducing a better comprehension of economic life, relations between races and the dignity of the human person. This seems to be a big enough task for our generation.

* * *

Stephen Leacock

Former professor of economics, McGill University, Montreal.

The thing is crazy.

* * *

Neil McLean

President, Connors Bros. Ltd., Saint John, and prominent Maritime businessman.

I believe it would be a very constructive move on the part of this country to welcome Jamaica as a province of Canada. Should overtures be made to our Dominion, such a movement would be of special interest to the Maritime Provinces which are nearest Jamaica. Trade, tourist, travel, and shipping facilities to the West Indies would be greatly stimulated by us having a sister province there.

Jamaica produces and has a surplus of many commodities for which there is an ever-increasing market in Canada and on the other hand, we produce many things which are needed in Jamaica. The development of Jamaica, which has many natural resources, could not help but improve more rapidly as a province of our Dominion and, taking it altogether, we believe the mutual benefits of such a union would far outweigh any minor objections which might be raised.

Hon. A. S. MacMillan

Premier of Nova Scotia.

I would not care to express a definite opinion regarding Jamaica joining Canada as tenth province until the matter was fully investigated and both sides of the situation studied. Undoubtedly many good reasons could be advanced why Canada should be agreeable to the proposal but a study of the other side of the question should be made. The exports from the Maritime provinces to Jamaica have been largely potatoes, eggs, fish and dairy products and some lumber, and I note that the average exports from Canada for the three years just previous to the war amounted to approximately $5.5 millions. No doubt, however, if Jamaica was a province of Canada trade would be considerably increased.

* * *

Dr. R. A. MacKay

Professor of government, Dalhousie University, Halifax, N.S.

I can see no advantage to Canada from taking in Jamaica as tenth province to compensate for the grave problems involved among men with lack of experience in responsible government. There are extremely low living standards of labor, which is nearly all colored; serious economic handicaps of the island arising from lack of diversity in industry and difficulties in finding markets for sugar and fruit and additional burdens of expense which the move would involve.

* * *

A. Stewart McNichols

President, St. John Power & Paper Co.; director, Bank of Canada, etc., Montreal.

This question, although very interesting, is far too important to be answered without examining all facts carefully and studying in detail the political and economical aspects pertaining to this proposition.

* * *

Oswald Mayrand

Director, La Patrie, Montreal.

Let us reject the thought of making Jamaica a Canadian province. Is Canada not already wide enough to use and absorb all the energies of its small population. Instead of thinking of adding to our territory, let us do our utmost to harmonize forces already at our disposal. We should fear to start on a road which might be paved with germs of imperialistic ambitions. Let us not forget that extensiveness squanders unity. Very well, if we multiply our commercial relations with the West Indies. Each side will find profit and advantage in them. But political amalgamation which is dreamed of does not appear desirable to us.

* * *

Pearson McCurdy

Business manager, Halifax Chronicle and Star, Halifax.

Inclusion of Jamaica as a tenth Canadian province would present grave difficulties. The people of Canada would have to be fully convinced that by taking Jamaica into Confederation it was an asset and not a liability that was being acquired. Jamaica, in turn, would have to exercise great caution in working out the terms of union so as to protect her best interests in the face of fiscal and political policies utterly different from those which are her lot under British colonial administration. Certainly closer integration of the economies of Canada and Jamaica would be desirable if such a step were to make for greater development of trade possibilities. It is doubtful whether under political union this objective could be so readily achieved as some people both in Jamaica and Canada seem to suppose.

* * *

M. E. Nichols

Vancouver Province, Vancouver, B.C.

I can see no definite asset for Canada in making Jamaica a tenth province. It would, perhaps, do something to expand trade with the West Indies and upon this we have already spent considerable money, but what we have we should be able to hold and develop without political union. If, following the war, there should be a redistribution of empire responsibilities which appeared to call for extension of Canada's sphere of government to the West Indies, Jamaica's desire for inclusion in the Dominion might be difficult to refuse. One strong argument for refusal would be that Canada has a heavy racial problem which should be digested before we take on complications incidental to a negro problem.

* * *

D. R. Turnbull

Acadia Sugar Refining Co. Ltd., Halifax.

Jamaica and Canada are complementary in that we are both buyers of what the other has to sell—fish, potatoes, etc., going south and sugar, fruits and other tropical products coming north. I do not pose as an authority but feel that the time for such action is not yet, and favor closer trade relations with Jamaica against her joining Canada as a province.

* * *

Hon. L. A. Taschereau

Former premier of Quebec, Quebec.

I think it is impossible to give an intelligent answer as the joining of Jamaica to Canada would necessarily depend on the conditions of such a deal. There might be great advantages in so far as trade is concerned, but, would this addition to Canada add to Canadian unity, which we are all anxious to promote, by incorporating a population which in some respects has not our mentality. Would it not involve Canada in new ventures of, perhaps, an international aspect, such as the defense of these islands, and other international problems which might arise with our new neighbors?

More Than 12,000 Names On Canada's Black List

Publication Designates Persons in Neutral Countries Who Have Enemy Associations and With Whom Canadians Are Forbidden to Trade

A total of 12,228 names appears in the latest "black list" published by the Dominion Government.

These are persons who are not resident in enemy or enemy occupied territory, but with whom Canadians are forbidden to trade under trading with the enemy regulations.

Some carry on little businesses, such as cafes, while others do business on an international scale. They are listed by reason of enemy nationality or associations.

The list is prepared by the black list committee, which comes under the secretary of state, from material supplied by trade commissioners and other sources. The United States and Britain each have a similar list, and the three countries pool their information and respect one another's listings. Thus, for example, an American merchant ship will not carry to South America goods for a firm "listed" by Canada.

Officials say that in the early part of the war it is quite possible that certain materials from Canada were short-circuited to enemy countries by importers in neutral countries. They add, however, that controls have been greatly tightened, and that there is little possibility of anything now reaching enemy hands.

Warning Given

The black list committee recently issued a warning that it was important for Canadian businessmen with export dealings to consult the list before making shipments, so as to avoid expense and complications.

The list is revised from time to time as new information is received. Some firms which have been listed are able to show that they were above not doing business with the enemy, and have had their names removed; names of others have been removed when they have given satisfactory guarantees that they would discontinue enemy associations.

The latest list covers persons in some 50 countries ranging, alphabetically, all the way from Afghanistan to Venezuela. Spain tops the list as regards number named—1,190. More than 1,000 firms are listed in both Chile and Peru. In Portugal, 861 are listed; in Switzerland, 629; in Mexico, 866; in Colombia, 852; in Argentina 964; in Turkey, 310.

As Executor Under Wills

The settlement of your estate is a specialized task which the Crown Trust Company is fully equipped to perform. Our training and experience . . . our efficient and economical methods . . . our continuing corporate existence . . . our understanding of the human problems involved, give assurance that an estate in our care will be administered satisfactorily.

We shall be glad to explain in greater detail our services as executor under wills. Call or write, and we shall arrange an appointment at your convenience.

Crown Trust Company

Executors :: Trustees :: Financial Agents

80 King Street West, Toronto

HOWARD A. EATON, *Manager*

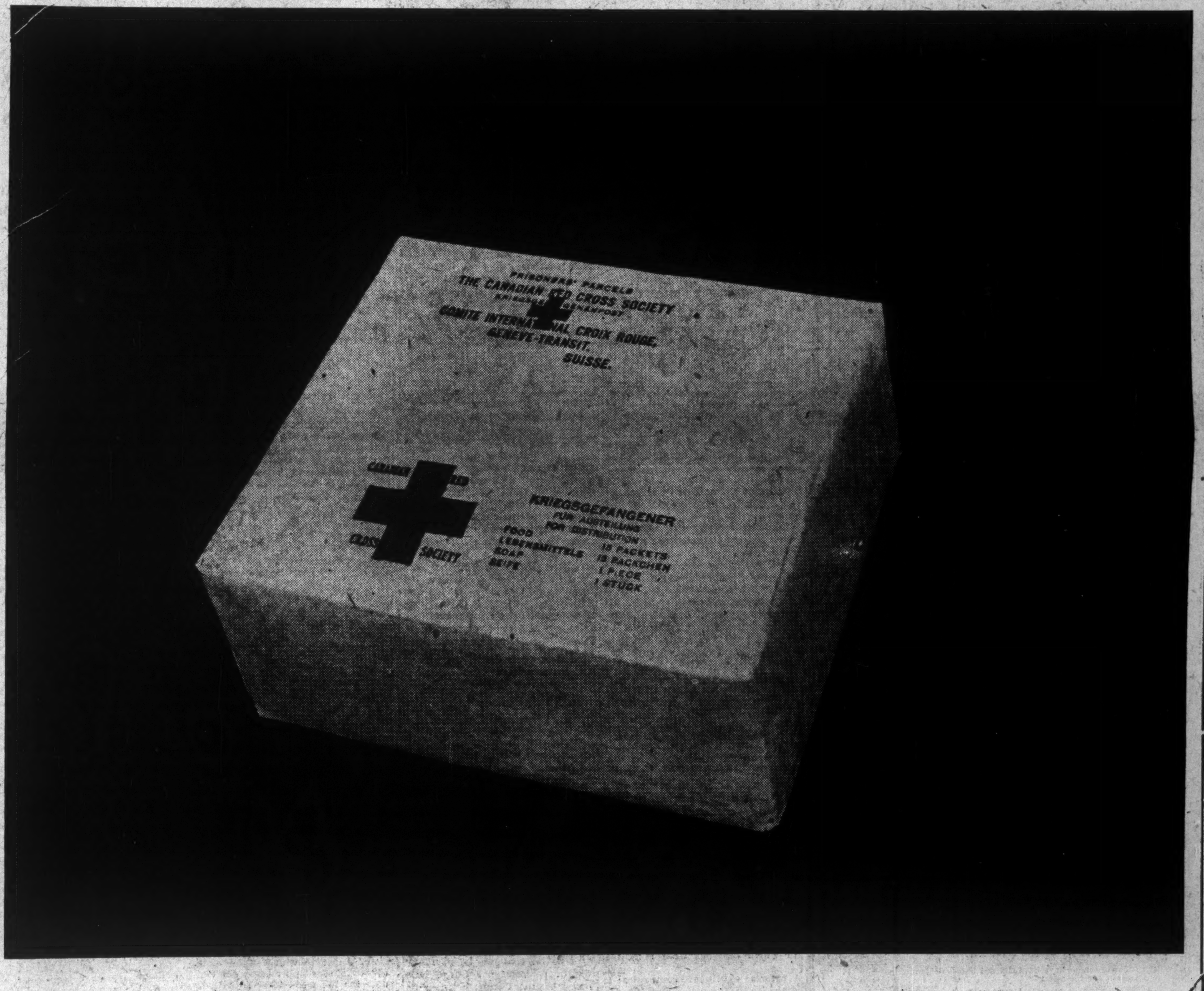
C. G. E. Depicts War Effort In New Sound Film

Head office and factory staffs of Canadian General Electric Co. recently were shown a film, "Power to Win," at the Royal Alexandra Theatre in Toronto, which revealed the tremendous C.G.E. change-over from peacetime to war schedules.

Opening with views of factory workers in various peace jobs, the sound picture depicted the later war production of delicate parts and instruments for searchlights, aircraft, tanks, guns, marine engines, radio equipment, etc. Anti-aircraft and anti-tank guns were shown as they were assembled in production, to emerge finally tested and complete for the firing line.

The film was produced at General Electric factories at Toronto, Peterborough and Montreal. It was designed as a record of the firm's war activity and as a factor in promoting goodwill and morale among workers.

Voice accompanying the film was that of H. H. Rimmer, advertising manager for C.G.E. Arrangements have been made for all plant personnel at Peterborough and Montreal to see the picture, and, as far as possible, it will be put into public distribution channels.



What Does This Parcel Mean to You?

TO THOSE WHO RECEIVE IT, it is life itself; a message from the homeland; a token of faith; the glad knowledge that somebody cares. To the parents of those boys who receive this parcel, it has a depth of meaning which words cannot convey.

What does it mean to you? It means that you care a lot — enough to make sure the Red Cross, that great Mother of All Living, holds out her everlasting arms of mercy, replenished, to heal and to sustain those who know bitter need.

How many parcels of hope and faith and mercy will YOU give, out of your bounty of freedom from need?

Only the Red Cross can get these parcels through.

HOLLINGER CONSOLIDATED GOLD MINES LIMITED

THE NATIONAL BREWERIES LIMITED
MONTREAL
ANNUAL REPORT
for the year ended December 31st, 1942

TO THE SHAREHOLDERS OF
THE NATIONAL BREWERIES LIMITED,

Your Directors submit herewith the Thirty-Fourth Annual Report of your Company, together with Balance Sheet and Profit and Loss Account for the year ended December 31st, 1942.

The Profits for the year, after all charges for Administration, Depreciation, and after providing for Dominion Income and Excess Profits Taxes, amounted to $2,150,948.88

from which has been deducted:

Dividends on Preferred Stock	$ 194,250.00	
Dividends on Common Stock	1,442,744.00	
Contribution to Pension Fund Society	175,000.00	
		$1,811,994.00
Leaving a Balance to be credited to Earned Surplus of		338,954.88
The Earned Surplus at January 1st, 1942, amounted to	$5,571,607.05	
To which has been added Prior Year's Adjustments of	172,764.42	
		5,744,371.47
Leaving Earned Surplus at 31st December, 1942		$6,083,326.35

Taxes, licenses and duties provided during the year by the Company and its subsidiary amounted to $15,309,865.00, or 63% above the amount provided in the year 1941.

On December 16, 1942, the Government announced its decision to ration the sale of beer for the twelve months ending October 31, 1943, to 90% of the beer sold during the twelve months ended October 31, 1942. The retroactive feature of this enactment brings about a rationing considerably in excess of 10%; this, added to the increasing demand for your Company's products, results in the demand exceeding the supply by more than 40%.

Your Company's machine shops continue to use any excess capacity in the filling of sub-contracts for war industries.

We have to report with deep regret the death of two of our Directors during the past year. Mr. C. E. A. Boswell had been connected with the industry all his life, and joined this Company when Boswell Brewery was taken over in 1909, and remained with it until his death on May 1, 1942. His long experience and sound business ability eminently suited him for the position which he held in the Company as Vice-President in charge of Boswell Brewery. Mr. Hugh Mackay, K.C., was a Director from 1939 until his death on August 29, 1942. Mr. Mackay took a great interest in the affairs of the Company, and was on our Executive Committee. Both Mr. Boswell and Mr. Mackay will be greatly missed in the deliberations of the Directors. Mr. J. C. Cushing, Comptroller of the Company, and Mr. W. Taylor-Bailey have been elected Directors of the Company to fill these vacancies.

To aid and promote the continuing development of good employer-employee relations, we organized and set up, early in the year, an Industrial Relations Department. The existence of this department is enabling management and the employees to appreciate more fully each other's problems, and is bringing about a fine spirit of mutual respect and co-operative effort.

Your Directors have allocated, from the profits of the past year, the sum of $175,000.00 to be transferred irrevocably to the Trustees of the Pension Fund Society.

One hundred and eighty of our employees have enlisted in the armed services, and your Directors have continued the arrangement whereby your Company pays the difference between the employee's basic rate of pay with the Company and his military pay and allowances.

Wartime conditions have greatly increased the problem relative to the selection and training of employees. Despite adverse conditions, the loyalty and co-operation shown by all employees has been splendid, and is deeply appreciated by your Directors and the management.

Submitted on behalf of the Directors.

NORMAN J. DAWES,
President.

Montreal, March 1st, 1943.

BALANCE SHEET AS AT 31st DECEMBER, 1942

ASSETS

Current Assets:		
Cash		$1,119,066.64
Accounts Receivable, less provision for Doubtful Accounts		2,244,312.11
Stocks of Beer, Malt, Hops and Supplies — As determined and certified by responsible officials of the Company. Valued at cost and not above market, less Reserve.		4,178,193.57
Investments, including Dominion and Provincial Government Bonds and other Marketable Securities, less Reserve (Approximate Market Value $3,813,300.00)		3,732,060.18
		11,273,632.50
Refundable Portion of Excess Profits Tax		124,000.00
Investment in Subsidiary Company Shares		12,873.45
Other Investments, less Reserve		215,701.00
Property Accounts:		
Real Estate, Buildings, Machinery, Equipment, etc. Valued on the basis of Appraisals made in 1912 and 1913 by the Canadian Appraisal Co.; Putman & Nesbitt and Putnam & Robertson with subsequent additions thereto at cost, less amounts written off	12,222,745.19	
Less Depreciation Reserves	6,802,504.55	
	5,420,240.64	
Garage and Stable Equipment at cost, less amounts written off, less Reserve	124,531.00	
Casks, Cases, Bottles, etc., at cost, less amounts written off, less Reserve	189,600.28	
		5,734,371.92
Deferred Charges:		
Taxes, Insurance, etc.		185,367.23
Goodwill, Trade Marks, etc.		1.00
		$17,545,947.10

Approved on behalf of the Board
Norman J. Dawes } Directors.
J. D. Hudson }

LIABILITIES

Current Liabilities:			
Accounts Payable			$1,323,382.74
Taxes (after prepayment of $1,050,000.00 to the Dominion Government)			1,481,246.93
			2,804,629.67
Amount Due to Subsidiary Company			348,706.08
Capital Stock:			
Preferred— Authorized: 160,000 Shares of $25.00 each	$4,000,000.00		
Issued: 111,000 Shares of $25.00 each		$2,775,000.00	
Common: Authorized: 900,000 Shares of No Par Value			
Issued: 721,372 Shares of No Par Value		5,410,285.00	
			8,185,285.00
Earned Surplus		6,083,326.35	
Deferred Surplus— Refundable portion of Excess Profits Tax		124,000.00	
			6,207,326.35
			$17,545,947.10

Audited in accordance with our Report of this date.

CREAK, CUSHING & HODGSON,
Chartered Accountants.

MONTREAL, 1st March, 1943.

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31st DECEMBER, 1942

Profit from Operations after deducting depreciation and other charges shown below			$3,980,354.54
Investment Income			145,616.87
Profit on Sale of Investments, etc.			25,977.47
			4,151,948.88
Deduct: Dividends—			
On Preferred Stock		194,250.00	
On Common Stock		1,442,744.00	
		1,636,994.00	
Provision for Income and Excess Profits Taxes (of which the refundable portion of Excess Profits Tax amounts to $124,000.00)		2,001,000.00	
Contribution to Pension Fund Society		175,000.00	
			3,812,994.00
			338,954.88
Add:			
Surplus at 1st January, 1942		5,571,607.05	
Prior year's Inventory adjustment	170,270.76		
Prior year's Profits Tax adjustment	2,493.66		
		172,764.42	
			5,744,371.47
Earned Surplus, as per Balance Sheet			$6,083,326.35

The following items have been charged before determining the profit for the year:

Depreciation	$173,800.83
Remuneration to Executive Officers	119,283.36
Directors' Fees	5,873.33
Legal Fees	1,350.00

TO THE SHAREHOLDERS,
THE NATIONAL BREWERIES LIMITED, MONTREAL.

We have examined the books of The National Breweries Limited for the year ended 31st December 1942 and have obtained all the information and explanations which we have required.

In accordance with Section 114 of The Companies Act, 1934, we report that the profit of its Subsidiary Company has not been included in the accounts of The National Breweries Limited.

In our opinion, the accompanying Balance Sheet as at 31st December 1942, is properly drawn up so as to exhibit a true and correct view of the state of the Company's affairs, according to the best of our information and the explanations given to us and as shown by the books of the Company.

CREAK, CUSHING & HODGSON,
Chartered Accountants.

Significant Investors' Index Numbers

No. of Securities	Mach. and equip. 8	Pulp and paper 7	Milling 3	Oils 4	Textiles and clothing 10	Food and allied prod. 12	Beverages 7	Bldg. mater. 15	Power and traction 15	Banks 8	Total utilities 19	Total co's. 95
(Base 1935-39=100)												
*1935 to date:												
High	134.5	234.4	149.7	123.7	135.7	118.3	128.3	153.4	146.8	118.2	145.0	134.1
Low	69.7	51.6	61.2	41.2	78.4	73.5	79.3	68.7	60.2	69.0	65.2	61.1
1943: Monthly Figures:												
Jan.	90.3	75.3	82.4	62.9	114.3	88.2	109.7	84.0	88.5	76.7	90.0	76.3
1943: Weekly Figures:												
Feb. 4	92.5	73.6	84.8	66.1	117.9	88.2	112.0	84.7	87.4	78.3	88.2	78.2
Feb. 11	94.7	75.0	89.7	68.3	117.7	88.7	113.3	85.0	88.9	78.3	88.2	79.3
Feb. 18	94.0	74.5	89.6	67.5	117.1	87.8	112.1	85.3	88.4	78.7	87.9	78.5
Feb. 25	94.8	80.1	89.1	66.7	117.0	87.6	109.8	85.0	87.3	79.1	87.7	78.6
Mar. 4	96.6	80.8	91.4	66.1	117.2	81.6	110.7	84.9	89.1	78.7	91.6	78.9

*High and low for years from 1935 to date inclusive are based on weekly figures issued by Dominion Bureau of Statistics.

Toronto Stock Exchange Index

	20 Indust.	20 Golds	10 B.M.	15 W.O.
Mar. 9	104.69	80.78	69.76	23.28
Mar. 8	105.16	81.58	70.20	23.33
Mar. 6	105.21	81.21	70.22	23.42
Mar. 5	105.19	80.69	70.11	23.47
Mar. 4	104.86	80.35	69.86	23.80
Mar. 3	104.67	79.60	70.10	23.17
Month ago	104.56	78.34	70.49	22.10
Year ago	83.41	71.04	64.27	17.06
High 1943	105.46	81.72	70.93	23.91
Low 1943	[illegible]	[illegible]	[illegible]	18.14

Montreal Stock Exchange Averages

	10 Util.	20 Ind.	30 Chd.	10 Pprs.	15 Golds
Mar. 9	54.7	69.0	64.3	81.57	57.77
Mar. 8	54.9	69.7	64.8	83.14	56.92
Mar. 6	54.7	69.5	64.6	83.77	56.35
Mar. 5	54.2	69.3	64.3	83.32	56.35
Mar. 4	54.5	69.1	64.2	84.56	55.92
Mar. 3	53.9	68.8	63.8	84.48	55.75
Month ago	53.8	68.0	63.3	76.80	54.27
Year ago	41.1	57.0	51.7	65.27	42.91
High 1943	54.9	69.7	64.8	84.61	57.77
Low 1943	51.8	63.4	[illegible]	74.07	40.15

The Bondholder

Finance Minister Ilsley's king-sized budget last week handed a royal job to the National War Finance Committee. To meet estimated 1943-44 expenditures of $5.5 billions, revenues are expected to total $2,752 millions, leaving some $2,748 millions to be borrowed. Last year's borrowing gap was $2,161 millions.

To close the 1942-43 gap Mr. Ilsley borrowed around $1.1 billion from the public and close to another billion from the banks. With the Finance Minister's distaste for inflationary borrowing from the banks it is unlikely that he will wish to exceed that $1 billion figure this year. Indeed, small doubt exists that he would like to see his bank borrowing well below $1 billion.

However, assuming that $1 billion will come from the banks, this will leave $1.7 billion to come from the public in Victory loans, war savings certificates and stamps. That means, in addition to meeting increased income tax deductions, Canadians will have to lend 50% more to the Dominion than last year, the comparison being $1.7 billion against $1.1 billion.

* * *

The drive for this unprecedented total will take several directions. First and foremost will be a campaign to dig much deeper into the pay envelopes of individuals. While the number of Victory loan subscribers has steadily expanded, getting close to two millions in the last loan, war finance officials have figured that the base for the loan could be made still broader—that individual subscribers should take up a heavier percentage of the total.

Reflecting this is the Ilsley directive to the National War Finance Committee:

"To organize and carry out in the next 12 months two Victory Loan campaigns directed particularly to the mobilization for war of the personal savings of the people on a vastly enlarged scale."

* * *

With income and excess profits tax rates untouched, corporations should continue to be able to make substantial Victory Loan subscriptions. Main selling angle to the corporations this year will probably take the form of investing unexpended depreciation reserves, maintenance funds, retained profits, etc., in war loans.

* * *

War Savings Certificates and stamps will continue to be pushed; not so much from the importance of their revenue but due to the fact that they take up the loose money that is often spent unwisely, thus adding pressure against the price ceiling.

One point certain to be heavily stressed in this year's war financing is the necessity for retention of bonds and certificates. Early redemptions have become an increasingly serious problem with many thousands cashing in their bonds shortly after the campaign and their certificates immediately after the six months' redemption period had elapsed.

While finance officials are much perturbed about this phase no consideration is being given to placing any restrictions on the sale of bonds or on the redemption of certificates. It is felt that any such move would tend to destroy confidence in the marketability of all Dominion issues. Rather, strenuous efforts will be directed toward educating the public to the need for retention of the bonds and certificates at least until after the war.

The Shareholder

Large U. S. investment trusts made substantial purchases of common stocks during 1942. International Nickel apparently ranks among the first three most popular shares held by these investing institutions, a position around which this stock has held for a number of years.

A few other Canadian stocks where important changes were reported included Distillers Corp.-Seagrams, which were sold on the balance, and three gold mines, Dome, Hollinger and Lake Shore in which holdings were increased.

* * *

Efforts of liquor companies to diversify their position and secure a stake in the wine industry have been reported from the United States. Distillers Corp.-Seagrams has been a leader, acquiring substantial interests in California wineries. Hiram Walker-Gooderham & Worts is said to be looking around for attractive propositions in the same field.

With the European wine imports cut off, it appears that the distilleries hope to offset some of the curtailment which their regular business is suffering and secure a share of what they expect will be a stimulation of the U. S. domestic wine industry. In Canada, interests closely connected with Hiram Walker have for a number of years controlled the largest domestic wine company, T. G. Bright & Co.

* * *

A characteristic of stock markets in the past few months has been growing attention to selected preferred stocks, resulting in substantial appreciation in price. Outstanding example is probably Alberta Pacific Grain shortly prior to announcement of details of the purchase offer from Algoma Grain Securities. Since last October this stock appreciated from around $30 a share to over $100. Western Canada Flour preferred moved up from around $40 a share to a peak of just under $70, for reasons not yet clear. Others could be mentioned such as Winnipeg Electric, Eastern Dairies, Canadian Car & Foundry.

The search for appreciation of this nature continues. One large investor recently told The Post that he bought Brown Co. preferred and Federal Grain preferred for similar reasons. As a general rule it appears that appreciation of such stocks reflects improved financial position and the hope that the way would be cleared for a reorganization or some other steps to settle arrears.

* * *

Portfolio changes by Commonwealth International Corp., Montreal investment trust, between Dec. 31, 1942, and Feb. 20, 1943, consist of the following: Province of Quebec, 3½% bonds, due 1957, and British Columbia Power class A stock have been sold. Purchases have been: Brown Co., 5% bonds, Aluminium Ltd., Aluminum Co. of Canada preferred, Montreal Light, Heat & Power common and Shawinigan Water & Power common.

This trust reported somewhat lower income from securities last year, influenced by heavy receipt of arrears payments in the preceding period. Its cash holdings at the year end were relatively heavy and have been reinvested since as part of the programme mentioned here.

* * *

New York's largest investment banking and stock brokerage firm, and the only one to make public a complete report, Merrill Lynch, Pierce, Fenner & Beane, credits continued advertising and sales promotion with its ability to gain 27,000 new customers during 1942, giving it a total of more than 120,000 accounts. Of its $9.4 millions income in 1942, a gain of about 10% over 1941, 58% resulted from listed securities, commodities provided 24%, and underwriting and off-the-board transactions the remainder. This firm reports a net profit of $147,000 in 1942, compared with $460,000 in 1941, the decline being attributed chiefly to expenses resulting from the merger with Fenner & Beane toward the end of 1941.

Canada's Farm Income Rises
Estimates Place It At $1,146 Millions For 1942

OTTAWA. — Total cash income received by Canadian farmers in 1942 is estimated at $1,146 millions, according to figures made available to The Financial Post. This is an increase of almost 23% from $935 millions in 1941.

The totals are obtained by adding the estimated cash income of farmers and Federal and Provincial subsidy payments, which in the two years amounted to approximately $100 millions.

Most important individual source of income in 1942 was the sale of dairy products, which accounted for about $230 millions (including subsidies). This is $60 millions more than the corresponding figure in 1941.

Income from sale of hogs reached $192 millions, an increase of $32 millions.

In spite of higher prices income from wheat declined from $174 millions to $145 millions as a result of reduced marketings. (These wheat income figures are exclusive of subsidy and special assistance payments but include the benefit received by the farmer through the support given to wheat prices by the government).

Cash Income

The actual cash income of Canadian farms in 1942, apart from subsidies, as reported by the Dominion Bureau of Statistics, is $1,083 millions compared with $898.9 millions in 1941; $753.5 millions in 1940, and $377.4 millions in the low year of depression (1932). The amounts paid out in 1941 and 1942, by way of cash subsidy and bonus, are estimated as follows:

Cash Bonuses and Subsidies Paid by Federal or Provincial Governments to Farmers

	1942 $	1941 $
Cheese bonus (quality)	2,000,000	1,400,000
Prairie Farm Assistance Act (crop failure)	13,700,000	4,500,000
Wheat acreage reductn	25,400,000	25,000,000
Prairie Farm Income Act special income in lieu of low wheat price)	17,000,000	1,800,000
Cheese bonus (Ont. & Quebec)	3,500,000	2,500,000
Eastern province hog bonus	1,000,000	800,000
	62,600,000	35,800,000

Highlights of the sources of farm income, apart from the bonus payments indicated above, are shown below. It should be noted that approximately $11 millions was paid in subsidies during 1942 by the Wartime Prices and Trade Board to farmers for butter and fluid milk production. This amount is included in cash income for 1942 and not shown separately in the subsidy table above.

Cash Income From Sale of Farm Products (Thousands of Dollars)

Grains, Seeds, Hay:	1942	1941	1940
Wheat	145,507	174,321	187,734
Oats	26,965	17,140	13,207
Barley	24,976	14,432	9,357
Rye	1,998	2,835	1,544
Flax	21,989	5,848	2,445
Corn	6,445	3,343	2,523
Clover & grass seed	3,367	4,114	2,202
Hay & clover	1,773	1,669	1,577
Total	233,020	223,702	220,589
Vegetables, Field Crops:			
Potatoes	27,452	19,689	17,436
Vegetables	25,149	27,686	19,471
Sugar beets	6,131	5,077	4,960
Tobacco	21,367	12,244	9,220
Fibre flax	2,155	3,118	1,727
Total	82,254	67,814	52,814
Livestock:			
Cattle, calves	175,515	146,457	108,101
Sheep, lambs	10,730	9,409	6,926
Hogs	190,924	159,165	123,425
Horses	6,580	6,144	6,865
Poultry	24,455	18,031	15,694
Total	408,204	339,206	261,011
Dairy products	224,373	165,399	127,063
Fruits	24,517	18,625	17,100
Other products:			
Eggs	49,585	32,050	28,175
Wool	2,977	2,312	2,032
Honey	3,039	2,889	2,427
Maple products	4,159	2,218	2,624
Total	59,760	39,469	35,258
Miscel. products	19,129	15,208	12,680
Forest products	23,139	23,941	20,866
Fur farming	6,697	5,539	6,148
Total income	1,083,093	898,903	753,529

By provinces, the distribution of this income was as follows:

Cash Income by Provinces (Thousands of Dollars)

	1942	1941	1940
P. E. I.	12.1	8.2	7.1
N. S.	25.5	20.2	16.9
N. B.	25.0	19.0	15.3
Que.	169.0	143.0	118.8
Ont.	344.8	281.6	227.7
Man.	100.1	80.5	64.1
Sask.	189.6	158.7	149.4
Alta.	172.5	152.8	125.9
B. C.	44.5	34.9	28.3
Total	1,083.1	898.9	753.5

Collective Bargaining Seen Unifying Labor
Discussion on Proposed Legislation Finds A. F. L. and C. I. O. on Same Ground; Company Union Stand Arouses Controversy

Discussion over the pending Ontario collective bargaining legislation is serving to bring closer together the Trades & Labor Congress of Canada and the Canadian Congress of Labor. Hearings before the select committee of the Ontario Legislature, on whose findings the new labor bill will be largely based, have found both unions seeing eye to eye on many fundamental points.

A significant development has been the holding of joint A.F.L.-C.I.O. meetings to discuss the measure. Hon. Peter Heenan, Ontario Minister of Labor, reported this week that he had been invited to many such joint meetings throughout the province and outside Ontario to discuss the bill.

A notable feature of union discussions of the Ontario collective bargaining bill is that the entire onus of responsibility is placed on the employer. The labor viewpoint is that penalties should be imposed on employers for violation of any of the rights given labor by the legislation. They make no mention of a similar liability on their part if they should break the rules.

Company Unions

Both unions declare that they want the right of freedom of association. With similar unanimity they both want company unions outlawed; that is unions financed, controlled or influenced by the company. This contradictory stand was commented upon last week by the Employee Committee of the Plant Department of long strike-free Bell Telephone Co. of Canada. This committee acknowledged that legislation providing for collective bargaining would be of "unquestionable value" to labor in general, but added:

"We are of the firm conviction that any employee, either individually or collectively, should have the right to join or support an organization of his choice."

Since 1919 negotiations between management and employees of Bell Telephone have been carried out through the plant council which represents some 5,000 employees. The Employees Committee presentation said that this had been "an effective and satisfactory means of negotiation."

On the basis of that record the Committee stated:

"We do hereby register disagreement with labor leaders that the Plan of Employee Representation (i.e. the Bell Telephone plan) and other similar plans must be eliminated in the interest of collective bargaining; that such a clause in any labor legislation in respect to collective bargaining would appear to be a coercive measure, contrary to the democratic principle which makes the new freedom of labor known as collective bargaining, possible."

While the proposed legislation has pushed the Canadian affiliates of the A.F.L. and C.I.O. to take their first steps along a common path, the two appear still far from united.

Still Suspicious

Indicative of still lingering suspicions is A.F.L. insistence that the Ontario bill contain a clause which will protect small craft unions. The point here is that such unions—usually A.F.L. affiliates—might be swamped in a collective bargaining vote by the broader industrial unions, usually affiliated with the C.I.O.

One instance of bickering behind the labor front is in the John Inglis plant where both the A.F.L. and C.I.O. have been organizing and now can't agree on a form of ballot to decide which should be the collective bargaining agent.

However, both unions find themselves on common ground in their opposition to company unions, and incorporation and registration of trade unions.

Prime Minister King gave a united labor front his tacit blessing this week when he said that the Dominion Government had been prevented from appointing labor representatives to several government boards because the various branches of organized labor could not agree on the men to be chosen.

Market Opinions

Continued deferment of purchases is advised this week.

Magazine of Wall Street, N.Y.—The market now is within a fraction of the top level reached on the abortive war boomlet in the autumn of 1939 when many buyers were "hung up." We advise deferring purchases.

* * *

The Trader (Barron's N.Y.)—Total stock transactions last week of 9,350,000 shares approached the volume for the week after Pearl Harbor. For that week the total was 9,800,000 shares and for the week ended Jan. 4, 1942, the total was 8,300,000 shares. Back in the middle of Dec., 1941, the Dow-Jones industrials broke 5⅞ points, showing forces were at work that were not to make themselves felt until late April, 1942, when the market bottomed 18 points lower. Last week, on activity also clearly reflective of speculative unrest, the barometric industrial-share average scored only a nominal gain. As everyone knows, brokerage debits, because of the almost universal cash buying, are receding. As stocks rise, consequently, it may take major adverse news or a slow change in the processes of investment reasoning to bring about a reversal of the uptrend that has persisted for over ten months. Yet the cold record of the past week puts the market further on the defensive.

* * *

The Dow Theorist (Barron's, N.Y.)—With new highs in both the Dow-Jones industrial and railroad averages, the major and secondary uptrends under the Dow theory have been further extended. No indication of any change has appeared, nor could any change be signalled under the Dow theory for some time to come. Even a minor downtrend would take at least a week to develop recognizably.

Volume indications are getting less and less favorable. Increasing turnover is producing smaller and smaller price advances. The price gains in both averages for the whole of last week, which included the first two-million share days of the advance, were only fractions.

D.I.L.'s Outlay On War Plants $260 Millions
Chemical and Explosive Unit of C.I.L. Gives Accounting of Operations

From Our Own Correspondent

MONTREAL.—Defence Industries Ltd., wartime operating subsidiary of Canadian Industries Ltd., reports that costs of more than $260 millions have been incurred during the past 3½ years for the British and Canadian governments on the construction and operation of government-owned chemical and explosive plants.

In a supplement to be issued as part of the parent company's annual report for 1942, Defence Industries reports it has been engaged exclusively in the erection and subsequent operation of wartime chemicals and explosives plants, small arms ammunition plants, and shell-filling plants, on a scale far surpassing in size and significance anything previously undertaken in this country.

Since Feb., 1940, when actual construction of government plants began, 12 new units have been placed in operation and two others are nearing completion.

Major changes in design and specifications in order that munitions production might keep abreast of developments in military science and tactics, have necessitated periodic declines in the volume of output. Operations of some units, particularly in the latter half of 1942, were at a reduced scale because maximum capacity was in excess of current requirements.

Over 30,000 Employees

Employees of the company at the end of last year numbered about 31,500, of whom more than one third were women. Further expansion is anticipated when projects under construction enter the production stage.

Funds required to erect the new plants were supplied by the Department of Munitions and Supply, acting for the Canadian Government and as a representative of the British Government. In all but the small arms ammunition branch, the company's relationship with the government is through Allied War Supplies Corp.

Capital investment of Canadian Industries Ltd. in Defence Industries Ltd., totals $2 millions, and was originally provided to cover the cost of expanding two plants transferred to D.I.L. and to supply the working capital required for their operation.

Selling prices of the output from these two plants, which were used by C.I.L. in peacetime to supply Government needs, were fixed to yield a low margin of profit, but operating efficiency has reduced manufacturing costs and prices have been lowered voluntarily in order to keep profits in line with original estimates.

C.I.L. is compensated for its services by means of management fees, representing a small percentage based on total volume of work involved. In some contracts the fees comprise a fixed sum per unit of output, and in others, a relatively small fixed sum, plus a correspondingly lower fixed sum per unit of output.

The rates of these fees have been reduced in certain instances where production costs have been lower than estimated, or output has been in excess of designed capacity.

Profit Item Small

After deducting administrative costs and estimated taxes, but not the portion of the Excess Profits Tax refundable after the war, the total net income from management fees for 1942 was equivalent to one fifth of 1% of the total of costs incurred by D.I.L. on behalf of the government in respect of the year's operations.

The net income from management fees, together with the net revenue earned on the operations for which capital was provided by the parent company, constitute the only source of income in D.I.L. Virtually the whole of the income has been declared in dividends and in 1942 these totalled $430,000, compared with $269,000 in 1941.

The Week in Oils

From Our Own Correspondent

CALGARY. — While the concessions to the oil industry brought down by Finance Minister J. L. Ilsley in the House of Commons are sweeping in character, they by no means solve all the industry's problems, oil operators feel.

Now that tax concessions have been obtained (although not in final form), emphasis is expected to centre on obtaining an increase in the price of crude oil, considered as essential to the whole industry. It is also expected efforts will be made to secure from the Province of Alberta important revisions in lease and reservation regulations, downward revision of fees and charges involved, and final clarification of the crown royalty question, which has been hanging fire for nearly two years.

But whether or not favorable action is secured, oil men concede that most favorable results can be expected to accrue from the Dominion tax concessions—and from scrapping of import duties, the 10% war exchange tax and the 8% sales tax in so far as drilling and oil production is concerned. Both drilling on proved acreage and "wildcatting" are expected to be expedited.

* * *

Rum River Progresses

The necessary priorities for casing are reported to have been granted for the Ram River Oil well on the Ram River structure and officials are hoping all casing will be run in a relatively short time, allowing determination of production possibilities.

It will be recalled that the Ram River well secured an interesting showing of crude oil but adequate testing has been held up until now by a number of difficulties, not the least of which has been the outlying location. The company has two diamond drill rigs and if the present well should stand up to officials' hopes, completion of further wells should be a comparatively simple matter as the structure is relatively shallow and easily drilled.

* * *

Oil Briefs

Bonaventure Royalties is drilling at 9,072 ft. in North Turner Valley, providing a new deep test of this area . . . An average of 197 Turner Valley wells were producing the week ended March 1, 1943, compared with 180 wells the corresponding week of 1942 . . . There are 19 wells currently drilling in Turner Valley; six wells in outside fields.

Production in Turner Valley is currently just over 25,000 bbls. a day compared with 28,500 this time last year. . . . A total of 25 wells is now producing in Alberta outside of Turner Valley . . . Several new Turner Valley wells are expected to go on production shortly.

Steel Wares Lowers Debt
Subsidiary Unit Buys Block of Preferred Stock at Discount

From Our Own Correspondent

MONTREAL. — General Steel Wares Ltd. will redeem next month $206,000 in 4% serial bonds that mature April 15, 1945. It is expected that the balance of the serials, $225,000 maturing on April 15, 1946, and a like amount in 1947, will be paid off in June, 1943.

Announcement of this was made by John C. Newman, president, at the annual general meeting of shareholders. These redemptions, he added, will bring to $1.8 millions the total mortgage indebtedness retirement in exactly three years and leave but $4,795,000 in 15-year 4½% bonds outstanding.

Shareholders also were informed that the subsidiary, General Steel Wares Acceptance Co., had acquired 1,585 of the parent company's 7% preferred shares at a cost of $142,322. This action was approved by the shareholders. Mr. Newman mentioned that the subsidiary's holdings of these preferred shares were not included among the current assets on the balance sheet.

St. Thomas Parish Bonds Put on Market at Par

Credit Interprovincial Ltee., of Montreal, is making a public offering at par and accrued interest of $150,000, 4% first mortgage bonds of the Fabrique St. Thomas d'Aquin de Montreal.

This Montreal parish was founded in 1908. Security for the bonds is a first mortgage on the church, the presbytery and other assets estimated to be worth $575,500.

Government, Municipal and Corporation Bonds

The facilities of our organization are at the disposal of investors for the purchase or sale of securities and for the analysis of investment problems.

Bond offerings furnished upon request.

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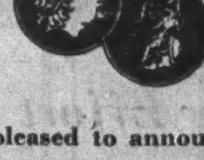

We are pleased to announce that
Lt.-Colonel Raymond Garneau, V.D.
has been admitted to partnership in our firm,
with headquarters at Price House in Quebec City.

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507 PLACE D'ARMES, MONTREAL

OTTAWA SHERBROOKE QUEBEC

Corporation Earnings

Lower Earnings Seen in Majority

CORPORATION EARNINGS

EARNED PER COMMON SHARE:	1942 $	1941 $
Admin. & Trusts	2.08	2.10
Bathurst Power	1.87	2.17
B. C. Telephone	8.82	8.94
Burlington Steel	1.14	1.08
Can. Northern Power	0.79	0.61
De Havilland	1.20	2.78
Donnacona Paper	0.28	0.28
Hamilton Cotton	5.40	4.97
Hunt's Ltd.	0.78	0.004
Montreal Cottons	9.24	13.49
Moore Corp.	3.01	3.75
Mount Royal Hotel	0.62	0.62
National Biscuit	1.26	1.43
Page-Hersey	5.41	5.26
Pressed Metals	0.15	1.04
Saguenay Elec.	2.03	1.28
Saguenay Power	5.46	4.74
Standard Clay	3.27	3.94
Stedman Bros.	3.34	3.17
Thayers Ltd. pref.	2.21	3.97

INDUSTRIAL

Bathurst

Bathurst Power & Paper Co.'s report for 1942 shows net sales of $6.8 millions, as against $6.6 millions the year before. Owing to higher cost of sales, net profit available on the Class A stock was $1.87 a share, compared with $2.17 in 1941.

During the past year sales totalled 110,204 tons, up from 105,993 tons in 1941. Output of kraft products increased from 24.68 to 28.56% of total output. Unbleached sulphite remained about the same at 19.99%; boxboards moved up from 17.87 to 18.31%, while newsprint and other specialties declined from 17.70 to 13.14%.

The balance sheet shows a net increase of working capital of nearly $600,000. During the year the company retired the balance of its purchase money notes.

Income and Surplus Account
Years Ended Dec. 31

	1942	1941
Net sales	$6,817,508	$6,600,011
Operating expenses	5,041,487	4,588,057
Add: Other income	161,578	198,250
Total earnings	1,937,599	2,210,203
Less: Exec. remuner.	64,130	63,946
Directors' fees	8,383	7,154
Legal fees	6,504	3,012
Depreciation	430,523	427,931
Inc. & E.P taxes	501,452	612,298
Pension fund	50,000	50,000
Depletion	135,522	110,120
Prov. tax	......	22,925
Add: Sub. profit	9,029	5,630
Net profit	750,114	91,447
Less: Com. divds.	600,000	500,000
Surplus for year	150,114	418,447
Add: Previous surplus	1,044,987	626,540
Tax adjustment	1,548	......
Less: Cont. reserve	5,000	......
Earn. surplus forward	1,191,649	1,044,987
Earned per share:		
Common	1.87	2.17
Paid	1.50	1.25
Working capital	$4,226,981	$3,649,709
Balance Sheet Changes		
Cash	570,394	646,040
Investments	863,160	360,708
Accounts receivable	537,645	853,339
Inventories	2,387,653	2,162,789
Notes payable	......	105,000
Logging outlay	582,504	434,760

B. C. Telephone

Unprecedented volume of telephone business in the year ended Dec. 31, 1942, is reported by the British Columbia Telephone Co. Operating revenue was up comparatively, states President Gordon Farrell, but higher operating costs and taxes brought the net profit down below the previous year.

At the end of 1942 the company had 148,447 telephones in service compared with 143,807 at the end of 1941. The gain of 4,640 telephones compares with a net increase of 10,041 in the previous year. New installations were restricted early in the year by government order.

Income, Surplus—Years Ended Dec. 31

	1942	1941
Oper. revenue	$7,166,626	$6,547,552
Add: Other income	29,203	25,214
Gross earnings	7,195,829	6,572,766
Less: Maint. exps., etc.	3,622,958	3,276,323
Directors' fees	13,500	13,500
Legal expenses	20,972	20,498
Exec. sals.	92,024	87,245
Taxes	815,443	680,076
Depreciation	1,208,669	1,058,559
Bond int.	630,000	588,190
Conting. reserve	30,000	50,000
Bond disc. amort.	35,306	67,274
Net profit	726,957	732,102
Less: Preference divds.	60,000	60,000
Preferred divds.	270,000	270,000
Ordinary divds.	360,000	360,000
Surplus on year	36,957	42,102
Add: Prev. surplus	548,890	506,788
Surplus forward	585,847	548,890
Earnings per ord. share	$8.82	$8.94
Paid	8.00	8.00
Working capital	1,079,611	970,019

Burlington Steel

Burlington Steel Co. rolling mill operated at full capacity throughout 1942, H. J. Stambaugh, president, states in the report for the year ended Dec. 31, but operations were curtailed in some secondary departments producing materials considered non-essential to the war. While tonnage volume of sales showed no increase over the previous year, the dollar value was the highest in the company's history.

Plant and equipment have been maintained at high efficiency, according to the report, and $41,735 was expended during the year on capital account.

Capacity mill operation has continued into 1943, it is stated. Cash at $213,791 is up about $55,000 and investments have risen from $193,575 to $547,191. These changes are largely the result of lower inventories and receivables.

Income, Surplus—Years Ended Dec. 31

	1942 $	1941 $
Operating profit	469,861	323,643
Add: Other income	8,283	6,295
Less: Depreciation	42,000	42,000
Life ins. prem. (net)	481	3,608
Income & E. P. taxes	275,913	133,000
Net profit	159,749	151,330
Less: Dividends	84,000	84,000
Surplus for year	75,749	67,330
Add: Previous surplus	479,024	406,808
Tax adjustments	21,457	4,886
Surplus forward	576,230	479,024
Earned per share	$1.14	$1.08
Paid	0.60	0.60
Working capital	[illegible]	2,086,019

Canadian Breweries

Despite a doubled tax bill net profits of Canadian Breweries Ltd. for the three months ended Jan. 31, 1943, first quarter of the company's fiscal year, totalled $156,583 as compared with $106,007 for the same period a year ago.

Balance sheet at Jan. 31, 1943, shows working capital of $2.1 millions, an improvement of over $100,000 from a year ago.

Cons. Profit & Loss Account
Three Months Ended Jan. 31

	1943	1942
Operating profit	$700,188	$440,360
Add: Other income	6,604	7,444
	706,792	447,804
Less: Interest	22,024	22,832
Depreciation	135,548	130,872
Taxes	*385,500	182,000
Minority int.	7,136	6,093
Net profit	156,583	106,007
Working capital	$2,113,757	$2,008,839

*Less refundable portion.

Canada Northern Power

Reflecting the loss of the Noranda contract to the Quebec Streams Commission, gross earnings of Canada Northern Power Corp. recorded a contraction in 1942 compared with 1941, but due to lower interest charges and income tax, net profits on the common stock were equal to 79 cents a share, compared with 61 cents a share the year before.

In his report to shareholders, A. J. Nesbitt, president, states the curtailment of gold production has prevented the opening up of new operations. Further, the transfer of mine workers to war supply centres has reduced the company's customers from 25,935 to 23,344.

Income and Surplus Account
Years Ended Dec. 31

	1942	1941
Operating profit	$4,469,884	$4,889,766
Add: Other income	70,312	104,410
Total earnings	4,540,196	4,994,176
Less: Exec. remuner.	28,198	†
Directors' fees	14,650	†
Legal fees	1,726	†
Depreciation	732,000	720,000
Interest	708,094	772,182
Income & E. P. taxes	498,729	577,909
Pension fund	25,000	25,000
Bad debts	5,140	4,891
Oper. expenses	1,752,031	2,190,289
Net profit	774,627	703,905
Less: Pref. divds.	385,000	385,000
Common divds.	240,000	320,000
Sub. dividends	71,311	75,460
Surplus for year	78,316	*76,555
Add: Prev. surplus	2,536,519	2,572,716
Adjustments	99,781	40,358
Secs. profit	13,545	50,325
Less: Invest. reserve	13,545	1,747
Bond premium	......	19,737
W/o investments	......	28,841
Earned surp. fwd.	2,714,616	2,536,519
†Included in expenses.	*Deficit.	
Earned per share:		
Preferred	$12.79	$11.43
Paid	7.00	7.00
Common	$0.79	$0.61
Paid	0.60	0.80
Working capital	$3,390,203	$2,678,528
Balance Sheet Changes		
Cash	$1,026,759	$ 321,206
Investments	2,742,274	2,797,307
Accounts receivable	367,766	468,242
Own bonds held	476,500	608,000
Funded debt	14,030,000	14,304,500
Sub. pref. stock	1,141,900	1,190,900

De Havilland Aircraft*

De Havilland Aircraft of Canada invested a further sum in machinery during 1942, R. A. Laidlaw, chairman of the board, states in the annual report.

Preferred dividends to the amount of $47,337 were paid in the year, reducing arrears on this stock from $67.50 to $56 a share.

The report shows total expenditures on aircraft delivered under cost plus contracts and on overhaul work, representing actual expenditures plus estimated profit thereon, at $5.8 millions. Progress claims have been submitted amounting to $5.6 millions, leaving a balance of $225,000 receivable. Bank loan has gone up from $719,873 to $1.9 million and accounts payable are about $1 million higher at $1.6 million. Comparative details of changes in receivables and inventories are given below.

Income, Surplus Years ended Sept. 30

	1942 $	1941 $
Oper. profit less depre.	806,760	678,443
Less: Taxes	*720,000	590,000
Net profit	86,760	88,443
Less: Pref. dividends	47,337	18,935
Surplus for year	39,423	69,508
Add: Prev. surplus	191,715	122,207
Earned surplus forw'd	231,138	191,715

*Includes $43,000 refundable portion of E.P.T.

	1942	1941
Earned per share		
Preferred	$32.07	$32.69
Paid	17.50	7.00
Class A.	1.20	2.78
No dividends paid on class A		
Working capital	$350,807	$283,483
Balance Sheet Changes		
Accounts receivable:		
Trade	254,852	126,443
Dept. of M.&S.	1,786,410	845,129
Sundry	42,743	29,476
Associated cos.	55,041	......
	2,139,047	987,883
Inventories:		
Materials, supplies	4,076,048	1,276,763
Working process:		
Fixed price cont.	373,736	343,969
Cost plus cont.	5,254,643	1,463,305
	9,704,426	3,084,037
Less: Amts. billed	7,037,527	1,718,089
Net inventories	2,666,899	1,365,948

Donnacona

Donnacona Paper Co.'s financial statement for 1942 shows no major change in earnings, amount available on the common stock totalling 28 cents a share, or the same as the year before.

The balance sheet reflects an improvement in position. Bank loans and funded debt were reduced by $682,000, while net working capital improved over $500,000.

Income and Surplus Account
Years Ended Dec. 31

	1942	1941
Total earnings	$1,323,562	$1,307,421
Less: Depreciation	754,666	759,362
Interest	313,523	328,871
Inc. & E. P. taxes	115,518	78,700
Note interest	34,017	35,883
Net profit	105,837	104,655
Less: Common divids.	......	37,657
Surplus for year	105,837	66,998
Add: Previous surplus	248,712	181,714
Earned surplus forw'd	354,549	248,712
Earned per share:		
Common	$0.28	$0.28
Paid	......	0.10
Working capital	$1,871,879	$1,336,610
Balance Sheet Changes		
Investments	$ 175,000	......
Accounts receivable	589,486	$ 602,955
Inventories	2,016,111	1,984,820
Bank loans	379,000	680,000
Funded debt	6,233,000	6,584,000
Notes payable	588,500	618,500

Hamilton Cotton

Hamilton Cotton Co. is experiencing full demand for all it is able to manufacture, states the annual report of Alan V. Young, president, for the year ended Dec. 26, 1942.

"Production, however, has been reduced to some extent from maximum capacity by difficulties of employment and absenteeism," Mr. Young points out.

The company has entered into an agreement with the Commodity Prices Stabilization Corp., covering inventory and cost of cotton. This adjusts cost of cotton to a proper relationship with the fixed selling prices.

Preferred dividend arrears were cleared off by a $2 payment April 1 and common dividends started July 2 at a 10-cent quarterly rate.

Income, Surplus—Years Ended

	Dec. 26 1942	Dec. 27 1941
Operating profit	$572,059	$798,988
Add: Invest. income	4,652	2,445
Net earnings	576,711	801,433
Less: Depreciation	248,836	214,457
Exec. remun.	49,092	49,092
Bond int.	39,076	41,234
Taxes	95,000	359,500
Dir. fees	1,400	1,400
Net profit	143,307	135,751
Less: Pref. divs.	71,352	72,575
Com. divs.	8,000	......
Surplus on year	63,955	63,176
Add: Prev. surplus	567,854	504,678
Tax adjustment	60,000	......
Surplus forward	691,809	567,854
Earnings per share:		
Preferred	$8.13	$7.49
Paid	4.00	4.00
Common	5.40	4.97
Paid	.40	nil
Working capital	$1,361,138	$1,142,380

Hunt's Ltd.

Sales of Hunt's Ltd. during the year ended Dec. 27, 1942, at $1.6 million represented a gain of approximately 18% over the previous year. Profits materially improved during the year and the company has declared a dividend of 50 cents a share on both class A and B stock payable Apr. 15 to holders of record Mar. 31. This is the first dividend since 1935.

Harry W. Hunt, president and managing director, states that since early 1939 when the programme was started 29 stores have been modernized and that this investment has been well justified by the results.

Income, Deficit Account—Years Ended

	Dec. 27 1942	Dec. 28 1941
Sales	$1,606,442	$1,371,717
Net oper. income	91,695	68,448
Less: Deprec.	65,513	68,328
Net profit	26,182	120
Add: Prev. deficit	236,814	231,239
Loss store equip.	834	578
Rsv. loss invest.	2,249	5,116
Deficit forward	213,714	236,814
Earned per share	$0.78	$0.004
No dividends paid.		
Working capital	$62,163	*$20,277

*Excess of current liabilities over current assets.

Montreal Cottons

Montreal Cottons Ltd. earnings for 1942 passed the $2.6 million mark, a gain of about $200,000 over the preceding year. Owing to higher taxes, net profits were down, amounting to $9.24 a share, as against $13.49 a share in 1941.

The balance sheet showed a further improvement in working capital and a moderate drop in bonded debt.

In his report Blair Gordon, president, stated that the company worked without a subsidy last year. At present raw cotton content cost of yarns and cloths is now very close to the ceiling prices at which goods must be sold. An agreement has been entered into with the Commodity Price Stabilization Corp. for adjustment payments if necessary. Despite the higher taxes, Mr. Gordon says that the company is reasonably certain of earning sufficient profits, after taxes, to cover dividends in 1943.

Income and Surplus Account
Years Ended Dec. 31

	1942	1941
Operating profit	$2,611,702	$2,414,759
Add: Other income	41,106	30,776
Rentals, etc.	26,580	23,631
Total earnings	2,679,388	2,469,166
Less: Exec. remun.	38,583	34,500
Directors' fees	8,640	9,265
Legal fees	506	2,914
Depreciation	500,000	500,000
Interest	17,267	17,744
Inc. & E. P. taxes	†1,627,000	1,290,000
Net profit	487,338	614,743
Less: Pref. dividends	210,000	210,000
Common dividends	120,000	120,000
Surplus for year	157,338	284,743
Add: Previous surplus	229,922	95,305
Tax adjust.	75,000	......
Less: Tax adjust.	......	8,672
Pension fund	50,000	50,000
Cont. reserve	......	50,000
S.F. Reserve	42,697	41,454
Earned surplus forw'd	369,563	229,922
†Refundable portion $147,999.		
Earned per share:		
Preferred	$16.26	$20.49
Paid	7.00	7.00
Common	$9.24	$13.49
Paid	2.40	2.40
Working capital	$3,237,759	$2,806,445
Balance Sheet Changes		
Cash	$879	$566,363
Investments	1,474,983	706,051
Accounts receivable	1,242,683	993,940
Inventories	2,142,397	1,911,307
Deposit accounts	......	129,348
Funded debt	344,068	346,988

Moore Corp.

Moore Corp. reports that its subsidiary companies established new records in 1942 for shipments and profits before taxes. Taxes took 75% of the year's profit compared with 53% for 1941 and 33% for 1940, resulting in a moderate decline in net.

The company has added $115,000 received as premiums on U. S. funds transferred to Canada and the $334,950 refundable portion of excess profits tax to the reserve for post-war adjustment, bringing this account to $1 million.

Demand for specialized business forms is increasing from the armed services, government and other war and essential activities in Canada and the United States. Paper box subsidiaries are making large quantities of containers to replace articles formerly made from metals. Current orders are taxing capacity and problem of securing adequate labor is acute. The company had 5,777 employees at Dec. 31 last of whom 3,012 were men and 2,765 were women.

A total of 145 preference A and 211 preference B shares were converted into 1,846 common shares last year. The company had 5,026 shareholders at Dec. 31 last. Greater part of the assets, liabilities and earnings of the company and its subsidiaries originate and are located in the United States. These items are included in the consolidated statements at par, although U. S. funds are at a premium in relation to Canadian currency.

Consol. Income, Surplus—Years Ended Dec. 31

	1942	1941
Total earnings	$6,563,310	$5,485,059
Less: Depreciation	689,085	659,440
Inc. & E. P. taxes	*4,407,300	2,576,000
Post-war prov.	......	450,000
Net profit	1,486,925	1,799,619
Less: Pref. dividends	209,993	215,390
Common dividends	1,223,717	1,214,320
Surplus for year	53,215	369,909
Add: Prev. surplus	4,652,836	4,282,927
Earned surp. fwd.	4,706,051	4,652,836

* Includes $334,950 as refundable portion of E.P.T.

	1942	1941
Earned per share:		
Preferred, A & B	$49.70	$59.44
Paid	7.00	7.00
Common	3.01	3.75
Paid	2.88½	2.88½
Working capital	$8,860,591	$8,376,631
Balance Sheet Changes		
Cash	$3,410,786	$4,093,176
Investments	600,000	......
Accounts receivable	5,446,977	4,629,975
Inventories	6,130,544	4,969,305
Post-war reserve	1,000,000	550,000

Mount Royal Hotel

Gross earnings of Mount Royal Hotel Co. passed the $3 million mark the end of Nov. 30, 1942, but all the gain was offset by higher operating expense, leaving net profits unchanged at $85,460. This was equivalent to 62 cents a share.

The balance sheet shows a further improvement in working capital, while funded debt was reduced by $69,500.

Income and Surplus Account
Years Ended Nov. 30

	1942	1941
Gross income	$3,037,859	$2,761,320
Less: Oper. expenses	2,547,328	2,263,662
Net revenue	490,531	497,658
Less: Interest	140,070	143,646
Depreciation	200,000	200,000
Income tax	65,000	69,000
Net profit	85,460	85,010
Earned per share	$0.62	$0.62
Working capital	$231,500	$166,610
Balance Sheet Changes		
Funded debt	$3,340,500	$3,510,000

Nat. Biscuit

Gross sales of National Biscuit Co. were $167.8 millions in the year ended Dec. 31, 1942, against $119.6 millions in the previous comparative period. Increase in taxes, however, reduced net income from $10.7 millions to $10.4 in the latest period. The postwar refundable portion of taxes (not shown in the statement below) amounted to $802,435, and was credited to a special fund for postwar contingencies, rather than carried into earned reserve.

Sales volume of subsidiaries in Canada and Great Britain was up in the year. Earnings of such sales were 10% of the total net earnings.

Consol. Income, Surplus— Years Ended Dec. 31

	1942	1941
Total earnings	$27,784,308	$22,461,601
Less: Deprec.	3,309,837	3,250,161
Inc. & E. P. taxes	14,659,319	8,311,639
Foreign exch. adj.	192,711	167,663
Net profit	9,622,441	10,732,137
Less: Pref. divds.	1,736,315	1,736,315
Common divds.	8,176,282	10,063,117
Deficit for year	290,156	1,067,295
Add: Assets w/o	400,000	400,000
Less: Prev. surplus	11,041,109	12,508,404
Surplus forward	10,350,954	11,041,109
Earned per share:		
Preferred	$38.78	$43.10
Paid	7.00	7.00
Common	1.26	1.43
Paid	1.40	1.60
Working capital	$35,651,817	$34,096,120

Page-Hersey Tubes

Gross operating profit of Page-Hersey Tubes, Ltd., for 1942 shows considerable reduction from 1941, A. W. Holmested, K.C., president, reports, due to increased labor and material costs, withdrawal from export fields and fixed selling prices. Due to lower taxes and depreciation, however, the company is able to report a small gain in net profit. Raw materials made available by government controllers assured continuous operation of plants.

Principal addition to plant and equipment last year was a new pipe storage and shipping building. The new cold draw plant, constructed under an arrangement with the government, is now operating. This unit provides seamless steel tubes for the Canadian Naval programme and for other essential war uses, making a kind of tube not previously made in Canada.

Income, Surplus—Years Ended Dec. 31

	1942	1941
Operating profit*	$2,421,811	$3,359,463
Add: Other income	97,730	82,683
Total earnings	2,519,541	3,442,146
Less: Depreciation	563,830	677,357
Income & E. P. taxes	1,012,351	1,847,362
Net profit	943,360	917,427
Less: Com. divds.	863,470	863,740
Surplus for year	79,890	53,687
Add: Prev. surplus	1,614,220	1,560,533
Refund. port. E.P.T.	64,135	......
Earned surp. fwd.	1,758,245	1,614,220
*After deducting:		
Directors' fees	$ 7,276	$ 5,999
Executive & legal	82,795	85,739
Earned per share:		
Common	$5.41	$5.26
Paid	5.00	5.00
Working capital	$8,106,260	$7,009,243
Balance Sheet Changes		
Cash	$ 566,119	$2,089,308
Investments*	4,494,039	2,536,038
*Market value	5,145,883	2,712,729
Accounts receivable	1,601,267	2,059,575
Inventories	3,522,698	3,188,843
Invest. in subsid.	50,000	900,000
Fixed assets	7,058,486	6,594,026
Less: Depreciation	4,508,208	3,944,378

Pressed Metals

Operations of Pressed Metals of America for the first six months of 1942 were "very unsatisfactory incidental to the change from a highly specialized operation on motor car parts to many jobbing operations on war work. The difficulties involved were enhanced by the delays in obtaining deliveries of the necessary tools and equipment," states J. W. Leighton, president.

A much brighter outlook is seen for 1943. If present operations can be maintained, states Mr. Leighton, increased operating costs can be met and an early resumption of dividends made possible.

Income, Surplus—Years Ended Dec. 31

	1942	1941
Total earnings	$183,009	$695,581
Less: Depreciation	131,643	124,798
Income & E. P. taxes	9,585	292,133
Net profit	41,781	278,652
Less: Common divids.	......	201,428
Surplus for year	41,781	77,224
Add: Previous surplus	933,632	946,872
Tax adjustments	19,463	......
Less: Loss on assets	22,272	4,443
Organ. exp. w/o	......	56,170
Security, real est. res.	......	29,851
Earned surplus forw'd	972,604	933,632
Earned per share:		
Common	$0.15	$1.04
Paid	nil	0.75
Working capital	$864,651	$727,648
Balance Sheet Changes		
Cash	$296,414	$361,427
Inventories	373,184	588,519
Fixed assets	2,093,543	2,310,879
Less: Depreciation	828,175	948,904

Reanite Corp.

Reanite Corp., Ltd., showed a net loss of $10,807 for the 15 months ended Dec. 31, President P. J. Reaney states. The company has undertaken manufacture of gun clips, but close prices and preliminary experimental work have cut into profits.

At the annual meeting in Toronto recently shareholders approved an agreement with Chamberlain Engineering (Canada) Ltd., which gives the latter manufacturing rights on Reanite and includes sale of plant and equipment in Eastview. Reanite Corp. retains patent on its product.

The sum of $100,000 was received from Chamberlain Engineering under the agreement of October, provisional to the shareholders' approval. A small portion of this amount was diverted immediately to settle pressing debts. During the year lack of working capital forced the company to seek a credit extension. Under the agreement, creditors will be paid off at the rate of 6% every six months. A limited working capital is also provided in the form of advance royalties, and a capital sum following settlement with creditors.

Profit, Loss—15 Mos. Ended Dec. 31, 1942

Sales	$66,829
Less: Admin., fact. & sales costs	79,448
Add: Rents, tsfr. fees	1,812
Net loss	10,807
Working capital	*73,325

*Excess of current liabilities over current assets.

Standard Clay

Standard Clay Products' volume of business increased 14.7% in 1942 compared with 1941, but net profit amounted to $3.27 a share as compared with $3.94 the year before.

C. S. Trotter, president, states that due to the completion of so many of the airfields, training centres, industrial war plants and housing projects, and to restrictions placed upon private building and municipal sewage works it is expected operations during the current year will be on a reduced scale.

Income, Surplus—Years Ended Dec. 31

	1942	1941
Total earnings	$110,184	$114,106
Less: Depreciation	30,972	30,551
Interest	24,474	27,474
Income & E. P. taxes	*27,102	26,486
Net profit	24,635	29,594
Add: Prev. surplus	35,538	5,943
Sec. profit	25	......
Less: Bond expenses	3,076	......
Earned surplus forw'd.	57,122	35,538
*$1,691 refundable portion.		
Earned per share:		
Common	$3.27	$3.94
Working capital	$402,686	$330,887
Balance Sheet Changes		
Cash	$125,541	$142,553
Investments	39,001	16,379
Accts. receivable	102,950	58,109
Inventories	161,058	175,353

Saguenay Electric

Saguenay Electric Co., subsidiary of Saguenay Power Co., reports increases in gross and net income during 1942.

Balance sheet changes are relatively unimportant, the amount owing to Saguenay Power and the funded debt having undergone a moderate reduction during the year.

Income and Surplus Account
Years Ended Dec. 31

	1942	1941
Operating profit	$ 522,320	$ 449,706
Add: Other income	7,607	5,691
Less: Oper. expenses	264,890	228,250
Total earnings	265,037	227,147
Less: Depreciation	97,582	94,187
Interest	53,157	54,281
Income & E. P. taxes	47,489	29,878
Other charges	14,825	13,479
Bond discount	7,102	7,187
Annuity payment	6,288	5,759
Net profit	38,594	22,376
Add: Prev. surplus	1,033	......
Tax adjustment	3,023	5,437
Less: Prev. deficit	......	26,780
Earned surp. fwd.	42,650	1,033
Earned on common	$2.03	$1.28
Working capital	$52,112	$12,050
Balance Sheet Changes		
Cash	$ 15,484	$ 20,529
Accounts receivable	95,914	60,853
Inventories	53,364	60,699
Owing Saguenay Pwr.	430,000	482,562
Funded debt	1,150,000	1,175,000

Stedman Bros.

The greatest difficulty with which Stedman Bros., Ltd., is faced in the coming year, according to S. W. Stedman, president, is the problem of obtaining merchandise. In his annual report for 1942, Mr. Stedman states that operations in 1943 have so far been comparable with the previous period, but that the lack of supplies is discouraging "both to staff and public."

Income, Surplus—Years Ended Dec. 31

	1942	1941
Net oper. profit	$ 830,483	$ 752,322
Less: Depreciation	45,524	44,549
Taxes	468,473	345,000
Invent. res.	......	59,214
Net profit	316,486	303,559
Less: Pref. divds.	18,000	18,000
Com. dividends	108,000	108,000
Surplus on year	190,486	177,559
Add: Prev. surplus	1,267,171	1,103,522
Tax adjust.	36,823	15,991
Ins. surr. value inc.	2,538	4,962
Real est. rev. adjust.	4,471	......
Less: Ins. prems. paid	3,662	3,662
Real estate res.	......	31,200
Bomb ins.	2,700	......
Invest. loss	662	......
Surplus forward	1,494,463	1,267,171
Earned per share:		
Preferred	$52.75	$50.59
Paid	3.00	3.00
Common	3.34	3.17
Paid	1.20	1.20
Working capital	$1,586,313	$1,378,499

Saguenay Power

Saguenay Power Co.'s consolidated statement for 1942 shows an increase of nearly $700,000 in gross income, of which about $300,000 was carried through to net profit. Earnings on the common stock amount to $5.46 a share, as against $4.74 the year before. During the year dividends were increased from $3 to $4 a share.

During the year net working capital position improved $594,000, while the funded debt was cut $802,000.

DIRECTOR

Robert L. Beattie has been appointed a director of the Bank of Toronto. He is vice-president and general manager of the International Nickel Co. of Canada. Born on a farm near Caledonia, Ont., he joined International Nickel's accounting department 31 years ago. In 1940 he became assistant to the vice-president. He served with the Royal Canadian Engineers overseas in the last war, winning the Military Medal.

Income and Surplus Account
Years Ended Dec. 31

	1942	1941
Operating profit	$6,530,066	$5,999,308
Add: Other income	61,025	70,479
Less: Oper. exps.	1,195,377	1,348,455
Total earnings	5,395,714	4,721,332
Less: Depreciation	727,532	736,451
Interest	1,403,283	1,439,643
Income & E. P. taxes	†1,617,977	1,195,752
Other interest	215	222
Debt discount	176,576	176,576
Exchange loss	23,417	30,230
Bond premium	23,857	......
Net profit	1,422,857	1,142,458
Less: Pref. divds.	275,008	275,007
Common divds.	840,000	630,000
Surplus for year	307,849	237,451
Add: Previous surp.	3,978,700	3,717,295
Over tax pay.	130,176	128,816
Less: Annuity pay.	18,083	104,862
Earned surp. fwd.	4,398,642	3,978,700
†Refundable $94,344.		
Earned per share:		
Preferred	$28.44	$25.42
Paid	5.50	5.50
Common	5.46	4.74
Paid	4.00	3.00
Working capital	$ 797,132	$ 203,449
Balance Sheet Changes		
Cash	$1,387,975	$1,471,399
Investments	2,038,410	2,117,001
Accounts receivable	930,167	1,020,885
Funded debt	30,397,000	31,199,000

Thayers Ltd.

Sales volume of Thayers Ltd., distributor of petroleum products in Ontario, was down about 17% in 1942, reflecting the restrictions on motoring. Lower profits resulted and the company paid a $2 a share dividend on its preference instead of the regular $3.50 rate. This left arrears of $33,197, equivalent to $3.50 a share.

Income, Surplus—Years Ended Dec. 31

	1942	1941
Sales	$1,057,707	$1,274,753
Less: Cost of sales	848,390	1,008,673
Expenses	188,326	228,335
Net profit	20,990	37,745
Less: Pref. divds.	18,970	33,285
Pref. red. fund	......	759
Surplus for year	2,020	3,701
Add: Previous surplus	38,799	35,098
Bldg. fund adj.	2,822	......
Surplus forward	43,641	38,799
Earned per pref. sh.	$2.21	$3.97
Paid	2.00	3.50
Working capital	$213,880	$256,413

INSURANCE

Royal-Liverpool

Total premiums of the Royal Insurance Co., the Liverpool & London & Globe Insurance Co. and associated companies, in 1942 amounted to almost $4.5 millions.

In the different branches premiums were: fire $3,164,000; automobile $582,000 and casualty $746,000.

Underwriting profit after adjusting reserves and after paying premium taxes, licenses, fees, etc., but before payment of income and excess profits taxes was $465,000. After income and excess profits taxes the profit was $242,000. Total taxes incurred, comprising income and Excess Profits tax, 2% premium tax and licenses, fees, etc., amount to $351,000.

In the last 10 years the Royal-Liverpool group has paid $15 million fire losses and about 44% of these occurred during December, January, February and March.

Total Canadian assets of the group amount to $18,750,000, of which $10.5 millions represents the fire, automobile and casualty assets and $8,250,000 the life assets. About 25% of the assets are in Dominion Government War and Victory bonds.

Approximately one eighth the war risk insurance written in Canada has been handled through the facilities of the Royal-Liverpool.

Wawanesa Mutual

Wawanesa Mutual Insurance Co. reports an increase of $289,144 in the net fire premiums in 1942 and an overall loss ratio of 36.44%. The cash surplus now totals over $2 millions without counting over $1 million in western premium notes. Total premiums written during the year were over $2.4 millions.

Dominion Government bonds form more than 67% of total investments and subscriptions to the three Victory loans are over $1 million.

Important items in the report follow.

	1942	1941
Net premiums	$2,444,287	$2,155,04
Total assets	3,819,972	3,310,83
Surplus	2,014,637	1,735,14

TRUST & LOAN

Administration & Trusts

Société d'Administration et de Fiducie, which has head offices in Montreal and branches in Quebec, Winnipeg, Regina, Edmonton and Vancouver, reports that activity on the whole improved in 1942, but that heavier taxes and restrictions due to the war have had some effect on operations.

Profit & Loss—Years Ended Dec. 31

	1942	1941
Oper. earnings	$51,461	$54,34
Recov. on liquidation	4,580	10,30
Less: Tax provision	14,448	22,31
Net profit	41,593	42,33
Less: Dividends	30,000	30,00
Surplus for year	11,593	12,33
Add: Prev. surplus	130,734	118,39
Less: Tax adjustment.	6,236	......
Surplus forward	136,091	130,73
Earned per share	$2.08	$2.1
Paid	1.50	1.5
Creditors' Position		
Guaranteed funds	$465,668	$246,22
Secured by:		
Liquid assets	318,327	344,21
Mortgages, etc.	250,639	261,56
Other net assets	291,585	253,49
	860,551	859,27
Trusts and agencies	31,546,078	31,672,48

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PROVINCE of NEW BRUNSWICK
CALL FOR REDEMPTION
ON 15th MAY, 1943
4% Debentures Dated 15 Nov., 1940
Maturing 15 Nov., 1943 — 60 inclusive
The PROVINCE OF NEW BRUNSWICK hereby gives notice that it will exercise its right under the terms of the issue to redeem on 15 May 1943 all the outstanding debentures "MU" series bearing 4% interest dated 15th November 1940 due 15th November 1943-60 inclusive.
These debentures will be redeemed at the option of the holder at chief office of the Bank of Montreal in Fredericton, Halifax, Charlottetown, Saint John, Montreal, Toronto, Winnipeg or Vancouver, at 100 and accrued interest to 15th May 1943.
Interest will cease to accrue after 15th May 1943.
J. J. HAYES DOONE,
Provincial Secretary-Treasurer.

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The Editorial Page . .

Income Tax Still Complicated

In his budget speech last week, Finance Minister Ilsley intimated that the income tax must be kept simple "if it is to be clear to the vast majority who are subject to it." In this contention Mr. Ilsley will be heartily supported by public opinion.

Repeatedly The Financial Post has advocated simplification. The income tax started off as an extremely simple thing in 1917, and in those far-off days, in any case, it was only the concern of the well-to-do. But, as the net has widened, it has become more and more complicated, until the average man simply cannot comprehend it. This is not as it should be. Few citizens relish paying taxes in any case, but they will certainly pay them more willingly if they understand them; if they know that the burden is being distributed equally over all classes.

Unfortunately, despite Mr. Ilsley's acknowledgment of the necessity of simplification, the income tax structure still remains confusing and complicated. Eventually when the pay-as-earned principle comes into effect there will be some clarification, but there is little hope that it will become "clear to the vast majority."

Unlike excise and customs duties, and even the sales tax, all of which may be more or less concealed in the course of ordinary business, the income tax is a direct levy. The money is deducted from the citizen's own income and goes straight to the federal authorities. Official forms covering the transaction should be made just as direct, just as simple, if for no other reason than to impress upon the average man the fact that modern war is a terribly expensive sort of business.

Municipalities and Postwar

Many municipal authorities are facing a special problem created by abnormal war conditions. Revenues are buoyant, and especially in those centres where war activity is going on. Under present conditions, however, it is difficult, if not impossible to spend much of this revenue on improvements and even on ordinary maintenance of schools, streets, sewers and similar work. This would compete directly with the national war effort in labor and vital materials.

But this work is only deferred until after the war. Eventually it must be carried out. In the interests of an all out war effort, municipalities should reduce tax rates to the lowest possible point, but they are heading straight into a postwar headache if provision is not made now for financing these arrears in improvements.

The problem of meeting this situation was discussed by municipal authorities in The Financial Post last week. Two ways of solving it are suggested in answers to a Post query. Both would continue the current tax rate at a sufficient level to cover these deferred but necessary expenditures. The surplus funds thus raised would either be invested in Victory Bonds and set aside in a special reserve earmarked for postwar construction or they would be used immediately to reduce the indebtedness of the municipality. The latter policy, as Jules Fortin, secretary-treasurer, Dominion Mortgage and Investment Association, pointed out, would achieve a similar result to the first. The money released to creditors would undoubtedly go into Victory Bonds and the municipalities would enter the postwar era in a stronger financial position to tackle necessary rehabilitation.

Both solutions are practical. The main point is that something should be done now while the opportunity provided by buoyant revenue exists. Municipalities, of course, cannot be expected to solve any national postwar problem unaided, but in making provision for work which would have been carried out had it not been for the war, they are only following sound business principles.

More Tax Reciprocity

Preliminary moves toward reciprocal succession duties, or estate taxes, between Canada and the United States are understood to have been made. As the New York Herald Tribune suggests, this is a desirable step. It would relieve many cases of inconvenience and some of actual hardship. There is a pattern for reciprocity between the two countries in the arrangements announced some time ago on income taxes.

There are several reasons why the present situation is unfair and unnecessarily burdensome. In the first place it places an added barrier against rapid settlement of estates. When a Canadian dies leaving an estate including any property, such as securities, in the United States, it is necessary to get proper clearance for taxes before any steps can be taken to raise funds to meet death duties. Confusion in wartime Washington make this a real problem, particularly, when amounts involved are not large enough to justify a personal visit. The delay, added expense and inconvenience thus occasioned could readily be eased by a proper reciprocal arrangement.

Of more importance is the question of double, or even quadruple, taxation. It is quite possible that one estate might find itself subject to taxation in at least four jurisdictions — the Dominion and one or more provinces in Canada and the U. S. Government, and that of one or more states. In Canada we have not eliminated duplication of estate taxes but we have at least established by custom and precedent certain rules that permit estimate of what is involved. When U. S. laws are brought in, however, an entirely new set of principles is introduced.

Refundable Means Refundable

One point in the budget presentation which has not received the publicity it deserves is the reference to repayment of the refundable portion of the income tax levy. In this connection Mr. Ilsley declared:

> "Within a reasonable time after the tax liability for 1942 is established and discharged, the taxpayer will receive a receipt or certificate covering the refundable portion of the tax which will be just as binding an obligation of the Dominion as a Victory Bond or a War Savings Certificate. I would like to take this opportunity to emphasize that the refunding of this tax to those entitled to it is one of the most certain acts of any postwar government that I can imagine. Not only does the whole credit of the Dominion stand behind this undertaking to repay but it would be political suicide for any government, however radical or however reactionary, to default on an obligation due to the mass of the wage-earners of the country."

This declaration is important for two reasons: First, because a certificate actually in the possession of the taxpayer will serve to bring home to him the true status of the refundable tax. Instead of merely having something lacking from his pay envelope the taxpayer will have a tangible receipt, something that should increase his confidence in the future.

The announcement's second importance is in its assurance that the refundable tax liability will be fully honored after the war by the Dominion. In these days of economic upset some have thought it smart to express cynicism over the promise to repay the refundable portion of the tax levy. Such doubt-casters and gloom-spreaders contrive to disturb confidence in the Dominion's credit and work to the detriment of the nation's morale. Mr. Ilsley's words are a breeze that should clear away much of this foggy thinking.

New Farm Markets

Oils and Fats Administrator, Phyllis Turner, held out some interesting prospects for increased industrial use of Canadian agricultural products, therefore new source of income for the Canadian farmer, speaking in Toronto recently.

Under the forced draught of war, science has greatly speeded its developments; agriculture and industry have greatly increased responsiveness to new opportunities.

Mrs. Turner told the Advertising and Sales Club of the new and enlarged opportunities for farmers in oil crops—flaxseed, soybeans, sunflower seed and rape seed. She indicated that Canada would shortly have a new industry using Canadian wheat as its raw material, producing wheat starch and a food flavoring compound, sodium glutenate. She mentioned the new textile fibre made out of milk casein called "Aralac," which she described as "the lowest priced protein fibre now available. It is warm, soft, resilient and will drape well. It can be added to rayon and cotton to improve their adaptability . . . By the middle of the summer, we will find this new fibre in the garments of several millions of people."

Every extension of the market for farm produce is important to every Canadian, because the prosperity of every Canadian very largely depends on the prosperity of Canada's major industry, agriculture. Hence the gospel Mrs. Turner is preaching of new crops for industry merits the most careful study of farmers and industrial managers.

One postwar problem to be faced will be foreign competition. Normally, the Argentine supplies much of the world's flaxseed. Much of our edible vegetable oils comes from the East Indies. Will the Canadian producer be able to cut his production costs enough to meet this competition or will he demand tariff protection?

Adaptability is another difficulty. The climate of western Canada produces the finest quality wheat in the world, probably also the cheapest. For years, scientists have been working on Canadian soybean crops. They have produced a hardy variety that does fairly well in the extreme south of the Dominion, but so far they have been unable to get a soy that can compete in volume per acre with crops grown in warmer climates.

Some outstanding farm economists are of the opinion that wisdom would be to leave Canada and northern United States the job of growing wheat, meats and dairy products, with the southern states concentrating on oil crops, with a free exchange of surpluses regardless of national boundaries.

In any case, the only progress will be in scientific effort, practical experimentation and imaginative, open-minded enterprise by farmers and industrialists together. And every new crop for the farmer is a gain in cash returns and in stability.

Who Will "Control" Enterprise

Winding up the debate on postwar reconstruction in the House of Commons the other day, Hon. Ian Mackenzie volunteered the opinion that the days of free enterprise were gone and "controlled enterprise must be the guiding maxim for future governments."

It is not clear whether the Minister of Pensions and National Health was making a personal observation or announcing new government policy. If the latter, then a more unfortunate choice of spokesman could hardly have been imagined.

When war with Germany loomed as a certainty Canada's defense programme was "controlled" by Mr. Mackenzie. Nearly everyone is familiar with the sorry result. Our defenses, our fighting machine and our industrial plant were unprepared. At the emergency session, following the outbreak of war, one of the Prime Minister's first jobs was to remove Ian Mackenzie as minister of defense.

The Canadian public will not tamely submit to free enterprise being superseded by any system "controlled" by such men as the former minister of defense.

The Postwar World . . .

In this department The Financial Post notes current comment, opinion and research on the world that will face us after the war has been won.

Censorship Must Go With the Armistice

Carl W. Ackerman, is the Dean of the Graduate School of Journalism, Columbia University. The following extracts are from a recent address he delivered on the relation of news to global peace before Haverford College, Haverford, Penn.

. . .

The globe we now seek to make peaceful has suffered successive wars and revolutions since 1912. Throughout that thirty-year period the globe has experienced the creeping paralysis of a Black Plague of governmental propaganda, censorship and control of news until today the plague has spread to and infects the people of every nation on earth. The only difference between the people in one area and another is the degree of their fever. Under these conditions we must wage a global war but this is not a healthy condition for the establishment of global peace. Therefore, after the armistice, newspapers and radio broadcasting companies must be immediately freed from censorship and controls in order that public debate and reflection may build public confidence in the terms and conditions of global peace. Without freedom of communications the peace terms will be propaganda terms, created by fear, pressed for acceptance in haste and drafted in the language of emergency rather than the Truth.

There are journalists who are vigilant today because voluntary censorships and the voluntary acceptance of propaganda as war measures may become the custom and lead to voluntary international news servitude at the end of this war. For this reason they advocate freedom of international news communication at the armistice so that news may be substituted for the language of emergency.

Public opinion is the greatest force in every individual nation and in all nations collectively. When the people in all countries are free to be informed and free to act, public opinion, for the first time since the inventions of printing and radio, telegraph and airplane, will have a real chance to be practised in international relationships. Human beings respond to honor, justice, honesty and integrity in their relationships only when they are public, not when they are secret. Until the millenium we cannot expect men in authority in any country to live up to the high standards of international idealism behind the locked doors of diplomatic chancelleries.

If, as a result of this global war, public opinion is free to be informed and free to act; if, by the international force of the free exchange of news, people discover a new approach to understanding each other, global peace might endure more than a single generation. By freeing international news from governmental controls at the peace conferences, public opinion will immediately become the most powerful international force on the globe.

Complete freedom of international news has never existed in the whole history of the world. Surely, it merits recognition at the conclusion of this war, for it may be the first real beginning of global peace. The grave situation confronting you and our country today demands that we approach the peace conferences realistically and require a pledge from our government, that our delegates will fight for and not surrender freedom of international communications. That is the keystone of liberty and of peace.

Other People's Views . . . . .

The Canadian Editorial of the Week

The Budget
Vancouver Province

The 1943 budget is bitter medicine for Canada, but there is no use complaining about it. The war has mixed the draught and the only thing to do is to swallow it and be thankful it is no worse. We in Canada have only taxes to pay and a few minor disabilities like rationing and shortages to endure. Others, nearer the scene of action, have trials with which ours can not compare.

In the old-time budgets the tariff held pride of place. In this budget the tariff was hardly mentioned. It has fallen from its high estate, a circumstance which may mean something if postwar agreements include the demolition of trade barriers.

The figures of receipts and expenditure for the current financial year and the year ahead are, of course, astronomical. Mr. Ilsley talks in billions where his predecessors dealt in millions only.

As Others See Us . . .

Too Complicated
Victoria Times

Most persons who have to fill out income tax forms, which means nearly all of the adult population, will agree with the suggestion of The Financial Post that income tax forms should be considerably less complicated.

The average taxpayer should not be assumed to have the mentality or the training of an accountant, or be placed in the position where he has to employ such an expert to find out what his government expects him to pay.

. . .

We Are All Capitalists
Vancouver Sun

About two million Canadians now hold Victory Bonds, a clear million who never owned bonds of any sort before, according to The Financial Post. When we speak of that vague term "the capitalists," every one of these must be included from now on. Each is a capitalist, large or small. Each has a definite stake in the preservation of what is vaguely called "capitalism." Each would lose part or all of his or her investment if bonds were repudiated or prices allowed to rise by inflation.

Add to them all who have money in the bank, all who have life insurance, and it is seen that the structure of capital involves directly almost every family in the land, as it involves all indirectly. When agitators speak of all capital as an evil, supported by a mysterious little group of benefactors, we ought to remember that, however inequitably it is distributed, capital belongs to all of us and none of us would escape its ruin.

. . .

Talking Sense
Drayton (Ont.) Advocate

The Financial Post is talking sense when it says that the income tax forms are too complicated and should be simplified. At present they are a headache for the ordinary citizen.

. . .

Rational Rationing
Montreal Gazette

Recent price ceiling developments at Ottawa have pointed to new and more severe restrictions upon the distribution of commodities for civilian use. The Financial Post of Toronto, discussing the latest attempt to peg the cost of living, foresees further developments, including more rationing, a trend toward the British price control system, and so on.

Whatever may be in prospect along this line, the Canadian consumer has the consolation of knowing that the matter is in capable hands and that he is unlikely to be subjected to irrational rationing, such as is feared in the United States. This fear is expressed by the Wall Street Journal which hears that future rationing plans at Washington "include a wide variety of commodities some of which are likely to be in short supply and some of which are not short." The Journal hopes the reports lack foundation.

Washington intentions may have been misinterpreted. It is quite easy for producers and merchandisers to go through the process known as getting the wind up. In this country there is general confidence in those responsible for rationing administration. Still, if more restrictions are coming it will be immeasurably better for all concerned if nothing is done to weaken or imperil that confidence.

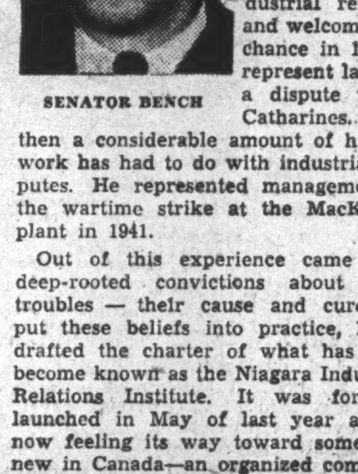
MR. ILSLEY—"THERE'S THE MAN RESPONSIBLE."

Cartoon by Grassick.

Post-Scripts . . . .

Youngest Senator

There was good reason for picking Canada's youngest senator, Hon. J. J. Bench, to sit alongside Mr. Justice McTague and J. L. Cohen on Canada's newly constituted National Labor Board.



SENATOR BENCH

"Joe" Bench is a St. Catharines boy who graduated from Osgoode Hall in 1928 and set up as a lawyer in his home town. He has always been interested in industrial relations and welcomed the chance in 1937 to represent labor in a dispute in St. Catharines. Since then a considerable amount of his law work has had to do with industrial disputes. He represented management in the wartime strike at the MacKinnon plant in 1941.

Out of this experience came some deep-rooted convictions about labor troubles — their cause and cure. To put these beliefs into practice, Bench drafted the charter of what has since become known as the Niagara Industrial Relations Institute. It was formally launched in May of last year and is now feeling its way toward something new in Canada—an organized community approach toward industrial relations.

Such institutes go back fifty years or more in Scandinavian countries but have not hitherto been organized in Canada. They start from the idea that employers of labor have a collective responsibility to the community in the matter of industrial relations and that by recognizing this responsibility many of the causes of labor troubles can be removed. An institute such as the one Bench visualized in the Niagara Peninsula, should provide the forum for bringing employers together on common ground; eliminate inequalities which are often at the root of labor discontent and take responsibility for constructive educational work among employers themselves, among foremen and workers and the community as a whole.

It's too early to say just how successful this particular programme is going to be in this important area. If it works, it may pave the way for a new and important forward step in the fast-moving panorama of Canadian industrial relations and much of the credit for its success will go to Senator Bench.

Meanwhile, Mr. Bench is gaining a wealth of valuable background and experience as he sits day by day with Judge McTague and Mr. Cohen in the new "industrial court" now hearing the applications from representatives of steel workers in Algoma and Sydney.

The hardest work "Joe" Bench has done in his life was the four and a half weeks he spent in 1940 trying to win for the Liberal party the riding of Lincoln in the 1940 election. He lost the contest by 400 votes to Norman Lockhart but gained a lot of experience. Also his capable handling of the contest (despite his last-minute entry) enabled federal leaders at Ottawa to gain appreciation of his talents. He insists, however, that he was taken completely by surprise when Prime Minister King called him by long-distance one night last November and asked him to accept a senatorship.

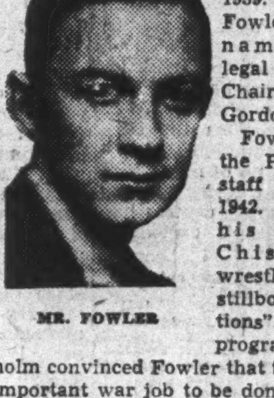
Senator Bench will not be 38 until next May, but he has travelled up and down Canada, up to Alaska and the Yukon, as well as in the British Isles. He is unmarried.

He was educated at St. Catharine's Collegiate Institute and St. Jerome's (Catholic) College, Kitchener. He now has his own legal firm of Bench, Keogh and Cavers with clients (mostly corporations) in the Niagara Peninsula and Toronto. He already has a lot of gray hair; expects to have a lot more by the time Canada's wage ceiling is many months older.

. . .

W.P.T.B.'s New Secretary

The new secretary of the WPTB is tall, slim and youthful Robert M. Fowler. He takes over the work which Kenneth W. Taylor, new food administrator, has been doing since WPTB was first organized in September, 1939. As well Fowler has been named special legal assistant to Chairman Donald Gordon.



MR. FOWLER

Fowler joined the Prices Board staff in October, 1942. At that time his friend Bob Chisholm was wrestling with the stillborn "iron rations" curtailment programme. Chisholm convinced Fowler that there was an important war job to be done, but when the curtailment programme bogged down, Fowler thought he would return to his private law practice in Toronto. He reckoned without the board reorganization which took Gordon Taggart back to Regina; moved Taylor to Food Administration, and brought himself to the north side of the executive floor in the Birks Building where matters of high policy are finally decided.

Bob Fowler hails from Peterboro. Winning an Edward Blake Scholarship, he attended the University of Toronto. There he specialized in mathematics with the idea of becoming an actuary but before he graduated in 1928 he felt the urge to get into something which would offer more contact with people and human problems. He headed for Osgoode Hall.

After being called to the Ontario bar he continued in practice with the firm to which he had been articled. That he was doing well is indicated by the fact that in 1937, at the age of 31, he was sent alone to England to appear before the Privy Council in wig and gown on a copyright action. He lost the case but gained valuable experience and considerable praise.

Later that year, Hon. N. W. Rowell chose him as his legal secretary in the Rowell-Sirois Commission. He continued as an assistant to the commissioners after Mr. Rowell was forced to retire through ill-health. After the report was issued, he used his ability to write and speak with great effect in an attempt to educate his fellow Canadians in the meaning and import of the recommendations.

Since then he has been with the law firm of McCarthy & McCarthy and has acted in several outstanding prosecutions and inquiries.

Bob Fowler's passion in life is "the law." But he has high respect for the job which wartime "bureaucracy" is doing in Canada. If he were in Parliament, he would like to introduce a Technical Assistance Bill for the purpose of giving expert aid and information to His Majesty's Opposition. His wife and youngster will remain in Toronto and avoid adding to Ottawa's housing imbroglio.

. . .

Brothers' Act

Wilfred Arthur Winfield's election as president of the Maritime Telegraph and Telephone Co., brings to light one of the few "brother acts" in the telephone industry. Father and son combinations are known, such as the Sises of the Bell Telephone, but the Winfields of Halifax have the unique distinction of one succeeding the other as head of the largest telephone system in the Maritimes.

The Winfield brothers come from Derby, England. Very early in their life, the family emigrated to Canada. They did not get far beyond Halifax, for the father took up his work in the ministry and now lives retired at Kentville, N.S.

"J. H." was the first to enter the telephone business, becoming a night operator in 1891. Five years later "W. A." followed in his brother's footsteps, also as a night operator.

Both brothers rose rapidly in the service of Maritime Telegraph and Telephone. "W. A." was made local manager at Windsor in 1897. Then came a succession of other posts and in 1935 he was made general manager. He held this job until 1941 when he was appointed managing director, a position he vacates to take over the presidency.

Following what seems to be a tradition in the communications field, "W. A." has stuck closely to his job, though he has been ever ready to assume his share of responsibility in local affairs. In addition to associated enterprises, he is a director of the Bank of Nova Scotia; local executive member of Wartime Housing Ltd., and governor of the University of King's College. Moreover, he is keenly interested in sailing, golf and curling, and in support of the latter has provided a cup which is competed for annually by employees of the telephone company.

In taking over the presidency of Maritime Telegraph and Telephone Co. at this time, "W. A." assumes a man-sized job. Canada's war effort is largely focalized in the area served by the system with the result that extraordinary demands have been made on the company's facilities. Keeping these facilities in working order in these days of priorities is a series of headaches, and satisfying those who demand but cannot be given service, calls for all the tact and diplomacy which "W. A." has gathered unto himself in his 47 years with the company.

. . .

Sayings of the Week

"We do not regard rationing as a cure-all for complaints about distribution. At best it is a means intended to provide a measure of rough justice—not a perfect division of available supplies."—*Donald Gordon, Chairman, Wartime Prices and Trade Board.*

. . .

"Often we in Parliament have to read the newspapers or listen to the radio to learn of important changes that are taking place in the economic setup of this Dominion." — *J. G. Diefenbaker, M. P. in the House of Commons.*

. . .

Stop Me If . . .

In London an old licensed victualler
Found his stock growing lictualler and lictualler
When people asked why,
He would simply reply,
"It's the fault of a fellow named Hictualler."

The Mail-box . .

Tariff Issue Out?

Editor, The Financial Post:

In a recent issue Bruce Hutchinson states: "The true meaning of the convention, the new party leadership and new platform is that all basic differences between the Conservative and Liberal parties have been wiped out."

The thesis upon which Mr. Hutchinson centres his remarks are set forth about the middle of the article from which is extracted: "Mr. King may be expected to move fast to drive a wedge straight through the Progressive Conservative party. He will introduce a new and low tariff policy into parliament and force the Progressive Conservative Party to vote on it."

Mr. Hutchinson may be correct in his foresight and insight into the strategy and policy of Mackenzie King and the Liberal party, but he is wholly mistaken in regard to the electorate and the Progressive Conservative party policy.

As and when Mackenzie King desires to bring about another appeal to the country, the issue shall not be on the tariff, but on the record of the Mackenzie King government.

The issue shall not be whether Parliament is to govern and we are to continue representative institutions or the bureaucracy set up by order in council of the King government is to prevail under cabinet rule.

The issue shall be whether Canada is to continue an integral part of the British Comonwealth of Nations or is to become more closely associated with our neighbor to the south.

The issue shall be whether agriculture is to be fostered and maintained as one of the main pursuits of the Canadian people or is to continue in its present neglected and unscientific condition.

The question of high and low tariff must remain a side issue until there is available some more knowledge of the pattern of the world affairs after the victorious triumph of the United Nations.

J. F. BOLAND.

Toronto.

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Investment Policy

Large Investors Build Cash Reserves

Short Term Prospects Seen Favoring Liquidity

By ARTHUR D. ELLWOOD

Survey of a number of sources indicates that investment policy of those in charge of large investment accounts has been changing to the conservative side. Without exception, those questioned favored a current policy of building up a reserve of cash to be reinvested at expected more attractive prices to come.

This policy of establishing a reserve of cash does not appear to be carried very far. Perhaps 10% of invested capital, or in few cases as much as 20% appears the objective.

These men do not look for any large reaction in stock markets in the near future—a decline equivalent to perhaps 10 points in the industrial share index would be considered the limit by most to whom The Financial Post has talked.

They base this expectation of a limited reaction on a number of factors. For one thing they hold that stock markets have followed the war news with remarkable faithfulness. They have continued faith in the ability of stook markets to discount the future and hold that the combined results of the working of the opinions of thousands of investors has rarely been wrong. They do not expect that uniformly favorable war news can be expected and point to the comparatively lengthy period during which news has been good and stock markets moving upward.

A concensus of the current policy advocated by this group who direct investment funds totalling many thousands of dollars is that the present is not a desirable time to make new purchases. They admit that exceptions can be found, special situations which can mean that certain securities will go against the general trend or may not feel the effects of any reaction coming. And they do not advocate any wholesale liquidation.

While the present is not favored as a time to buy stocks, no great reaction is expected. For re-investment, the position of the company in the postwar period, and its ability to withstand inflation are gaining emphasis. Ideal stock is one of a company busy on war orders now while demand for its regular civilian lines is building up.

Stress Postwar Inflation

Policy outlined for potential repurchases is perhaps more difficult to summarize. But there are a few major factors to be considered.

From the postwar standpoint, it appears that the ideal setup would be a company actively engaged in war production which is steadily building up a growing backlog of demand for its regular lines. Examples are not hard to find in this group. Among those mentioned to The Post are Ford Motor Co. of Canada, General Steel Wares, Massey Harris, Beatty Bros., Goodyear.

These companies and others are virtually guaranteed a high rate of operations during the war. Their regular lines are rapidly disappearing from the market but they are products for which there is a continued need and which will have to be replaced after the war. Even the steel companies, probably considered as the most outright example of war industry by the average investor, have their advocates. It is pointed out that Steel Co. of Canada, for example, normally makes a wide range of items — for which the unsatisfied consumer demand is growing.

It is also pointed out that an important group of companies, including the metal mines such as Hudson Bay Mining, International Nickel, Consolidated Mining & Smelting, and the steel companies have failed to participate in the current rise to as great an extent as have many other groups. Thus the prevailing prices may leave a margin of attraction even allowing for unfavorable factors such as fixed contract selling prices for the metal mines and high proportion of straight war demand for the steel companies.

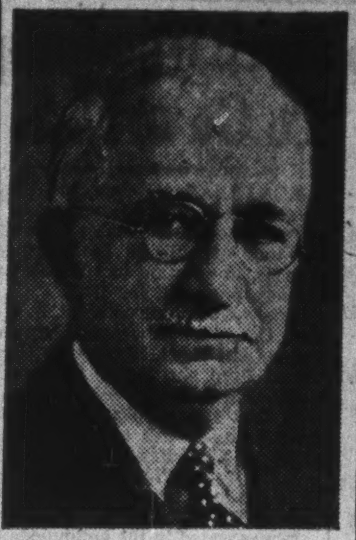
Debt Reductions

Another factor making a number of companies more attractive is the steady reductions of debt and building up of assets that is taking place. This is quite widespread. National Grocers, for example, is redeeming the balance of its debt, financed, The Post understands, from funds arising out of liquidation of inventories which cannot be replaced today. A year from now Canada Packers will have no funded debt outstanding. Simpsons Ltd. is making progress in the same direction.

Inflation also bulks large in the appraisal of investment policy, The Post is told. This means in many cases that industrial companies, preferably those which control their own raw materials, gain in attraction. An example is the oil industry, particularly those concerns with a share in the crude oil production end of the business. British American Oil qualifies in the opinion of some because of its crude oil producing interest in the United States and its distribution and refining facilities in Canada. International Petroleum is mentioned although in this case the fact that it does not operate in Canada brings in another set of factors for consideration. Metal mines have attraction to the inflation-minded as have most industrial concerns.

Merchandising securities are attracting considerable attention for their postwar position. It is not feared, apparently, that there will be any great change in our distribution methods. But if the war lasts a couple of years longer there will exist a large backlog of consumer wants.

For capital appreciation, one group has recently purchased such securities as Federal Grain preferred and Brown Co. bonds. In the former case it was argued this company was able to resume dividend payments but still has heavy arrears on its preferred. If the shares appreciate enough to offset perhaps a couple of years' income from dividends, they may be sold and the capital gain regarded as income free from tax. In the case of the Brown bonds, there are also unpaid interest accumulations but apparently reasonable opportunities for payment before long. As the time for any such payment approaches, the bonds might be sold at higher prices which recognize this possibility, again accepting a capital gain in lieu of the actual interest.



PRESIDENT

Alfred J. Doughty, who has been elected president of the Burroughs Adding Machine Co., succeeding Standish Backus. Mr. Backus resigned because of ill health. Mr. Doughty had been vice-president and director of the company for 20 years.

May Broadcast Workers' Music

A nationwide survey is being carried out by the Canadian Broadcasting Corp. to ascertain whether there is a demand for programmes tailored to meet industrial needs for increased worker efficiency.

It contemplates musical broadcasts which factory workers could listen to through public address systems installed in their plants, will inaugurate these in the near future if the demand warrants.

A questionnaire has gone to leading plants in each of the five regions of C.B.C. Among the questions this asks are:

Will your firm be interested in this programme? Is your plant equipped with a public address system? When would you like the programme scheduled? Do you use music in your plant at the present time?

Attached to the questionnaire is an article on "Music for Workers," which tells of experiments conducted by the British Broadcasting Corp.

Claim of the B.B.C. is that its broadcasts for factories relieve boredom, and increase production as much as 12 to 15% for an hour or an hour and a half after each programme.

The Week in Business

Last week's Dominion budget was without unpleasant surprises from the standpoint of business generally. Fact that it came down more than three months earlier than last year will give business a better chance to plot its course for the year, free of the uncertainties that always surround a pending budget.

It may therefore be regarded favorably from the standpoint that it did not impose anything unfavorable. For the balance of 1943 business will have its share of tough problems, including dwindling supplies of consumer goods, continuing pressure for higher wages, and changes in war contracts to meet needs shaped by the course of battle.

Cost of living, the D.B.S. index probably most closely watched by the general public, declined to 116.9 during February from the January level of 117.1. The move will mean no change in the amount paid as cost-of-living bonus.

Flour from Canada has been sent in heavy quantities to the United Kingdom and other United Nations. January production at over 1.9 million barrels was up 26.2% over the same month a year ago.

Cattle and hog sales figures point up the housewife's difficulty in buying meat and pork products. For the first two months of 1943 cattle sales were down 28.4% from a year ago while hog sales were off 7.1%.

Payroll index declined during January to 218 from 231 in December. It still shows a considerable margin over the January, 1942, level of 185.

	Feb.	Jan.	Dec.	Nov.	Year Ago
•Physical vol. of business, D.B.S.*	....	227.3	221.2	207.8	193.9
Dom. war expend. (million $)	....	185.0	218.9	209.6	144.6
Dom. total revenue (do.)	....	216.8	175.0	180.7	120.5
Dom. total expend. (do.)	....	233.2	360.4	335.5	184.3
•Dept. store sales index no.	....	147.4	146.4	168.5	151.1
•Retail sales index no.	....	155.2	156.4	161.7	150.8
•Wholesale sales index no.	....	138.7	148.4	152.9	132.2
Country store (% change pr. yr.)	....	+7.9	+14.6	+15.0	+20.5
Divd. payment index‡	122.3	122.5	122.7	123.1	121.3
Bank deposits (1926=100)	....	....	189.0	185.1	154.7
Cash and cheque pay. index	....	155.3	166.0	197.8	125.3
Bank debits (1935-39=100)	....	148.3	142.1	164.0	122.8
Money supply (c)	....	4,344	4,247	4,280	3,603
NEWSPRINT % OF CAPACITY—					
Production ratio	....	63.1	66.0	70.6	84.3
Shipment ratio	....	58.1	65.8	71.7	78.9
RAILWAY FREIGHT LOADINGS—					
Tons	....	155.1	173.4	142.0	169.3
Cars	....	130.5	145.2	126.5	149.6
COST OF LIVING—					
•D.B.S.	116.9	117.1	118.8	118.6	115.7
EMPLOYMENT INDEX No. D.B.S.—					
All industries	....	....	186.5	183.3	168.8
Manufacturing	....	....	221.7	218.6	188.4
Payrolls (June 1/41=100) (b)	....	....	144.3	140.8	119.5
•Payroll index (a) (1937=100)	....	218	230	216	185
			Jan. 1 to date		%
RAILWAYS—	1942-43	1941-42	1942-43	1941-42	Change
•Carloadings (week Feb. 27)	65,170	63,553	521,284	545,115	—4.3
•C.P.R. gross (week Feb. 28)	$ 6,274,000	4,934,000	39,261,000	36,898,000	+6.4
C.N.R. gross rev. .... (Jan.)	$ 29,278,000	25,967,000	....	....	+12.7
C.N.R. net rev. ...... (Jan.)	$ 4,472,714	5,157,112	....	....	—13.2
C.P.R. gross rev. .... (Jan.)	$ 18,927,920	18,660,272	....	....	+1.4
C.P.R. net rev. .... (Jan.)	$ 2,240,655	3,184,062	....	....	—29.7
IRON AND STEEL—(December)—					
Pig iron production (tons)	164,382	186,182	1,975,015	1,528,053	+29.3
Steel production ... (tons)	269,834	244,844	3,121,361	2,701,212	+15.5
CONSTRUCTION—					
Contracts awarded (Feb.) .	$ 19,019,000	11,052,000	31,003,300	23,983,100	+29.5
Building permits .. (Jan.) ..	3,222,324	6,432,687	....	....	—49.9
•Cement prod., bbls. (Dec.) ..	329,066	369,444	9,143,219	8,368,711	+9.3
AGRICULTURE—					
•Flour prod., bbls. ... (Jan.)	1,963,042	1,555,850	......	......	+26.2
•Cattle sales▲ .... (Feb.)	76,985	76,861	133,954	187,137	—28.4
•Hog sales▲ .... (Feb.)	510,761	497,125	1,010,805	1,087,938	—7.1
SEA FISHERIES—‡					
Catch cwts. .... (Jan.)	447,600	771,200	....	....	—42.0
Landed value ...... (Jan.)	743,600	917,400	....	....	—18.9
NEWSPRINT—					
Production, tons ... (Jan.)	233,544	311,904	....	....	—25.1
Exports, tons ...... (Jan.)	199,580	274,296	....	....	—27.3
MINING AND OILS—					
•Coal prod., tons .... (Jan.)	1,542,236	1,919,264	....	....	—19.6
Gold rec., fine oz. .. (Jan.)	360,755	442,036	....	....	—18.5
Petroleum prod., brl. (Dec.)	858,510	896,571	10,362,801	10,133,838	+2.2
ELECTRIC POWER OUTPUT—(January)—					
Total monthly, 1,000 kw.h.'s	3,217,788	3,226,289	....	....	—0.3
OTHER INDUSTRIAL FACTORS—					
•Shoes, prod., pr. .... (Jan.)	2,612,258	2,463,947	....	....	+6.0
Cotton consump., lb. (Jan.)	14,374,572	16,833,456	....	....	—14.6
Cigarette cons., No.† (Jan.)	872,109	747,733	....	....	+16.6
FINANCE—					
Bank debits† .... (Jan.)	$ 3,899,628	3,230,789	....	....	+20.7
•Bond sales† .... (Jan.)	$ 237,334	90,952	....	....	+161.0
Life insurance sales (Jan.)	$ 40,420,000	43,081,000	....	....	—6.1

‡Unrevised figures covering N.S., P.E.I., N.B., Que., B.C.
▲Total at yards and plants. †000 omitted. •Millions of dollars.
‡Supplied by Nesbitt, Thomson & Co. *1935-39=100. (c) 000,000's omitted
(a) Compiled by Canadian Bank of Commerce. (b) All industries.

On the Record

63 million barrels of crude oil was the total consumption for the year ending June, 1942, an increase of 42% compared with the 44 million barrels in 1938.

872,978 of the 1,277,937 gasoline ration licenses for passenger cars are in "AA" or "A" category.

$7,132,499 was total cost of Third Victory Loan to Jan. 31, 1943, according to a return tabled in the House of Commons. Main items were remuneration to approved dealers, $3,069,415; commissions to salesmen, $1,711,269 and advertising and publicity, $1,004,830. Total did not include remuneration to banks, trust and loan companies not yet completed. Total cost expected to be less than 1% of the total amount raised.

Dr. G. S. H. Barton, Deputy Minister of Agriculture, appointed chairman of the Agricultural Food Board formed to direct the 1943 food production programme. Other members from the Department of Agriculture: **A. M. Shaw,** director of marketing service and chairman, Agricultural Supplies Board and Special Products Board; **R. F. Hamer,** director of production service, and **Dr. J. F. Booth,** associate director of the marketing service. In addition two other officials of the department, **J. F. Singleton,** chairman, Dairy Products Board, and **L. W. Pearsall,** secretary-manager, Bacon Board to be ex-officio members of the board. An advisory committee of 12 members to be set up under chairmanship of **H. H. Hannam,** Toronto, president, Canadian Federation of Agriculture, with a representative from each province and two other members nominated by the federation.

$9 billions worth of goods were produced in 1942, according to a statement made in the House of Commons. Of this amount, $7.5 billions worth were marketed; labor received over $4 billions; farmers, $1 billion; and those who had their money invested in industry received $318 millions.

119,478, of which 23,871 were women, were enrolled in 1942 in the war emergency training under a Dominion-Provincial programme. In full-time industrial classes, attended by 46,853 persons, which was a gain of 25% compared with 1941, more than 40% were women. Part-time classes served 16,834, eight times the number for 1941.

65,000 members of the armed forces have signed a preference for farm work at the end of the war according to a statement made by Hon. Ian Mackenzie.

B. C. Shortage Of Logs Acute

From Our Own Correspondent

VANCOUVER.—The log shortage is currently so critical on the west coast that it is unlikely any pulpwood will be moved to Puget Sound until early summer.

While the Timber Control has pledged co-operation to Washington and the industry is prepared to ship, the logs simply are not available. Pulpwood has been in such short supply, indeed, that Powell River Company, biggest newsprint producer in the west, has been shut down for a week and when it resumes operation it will be on a five-day week basis.

One of the B. C. Pulp & Paper Company's mills was also down for more than a week, and Pacific Mills, the other newsprint plant and subsidiary of Crown Zellerbach Corp. reports a greatly reduced inventory.

GOVERNMENT AND CORPORATION SECURITIES

A. E. AMES & CO.
LIMITED
Business Established 1889
TORONTO
Montreal Winnipeg Vancouver Victoria
New York London, Eng.

Record of Investments

We shall be pleased to send to you upon request a Record of Investments booklet which provides space for recording your holdings of bonds, stocks, mortgages, insurance policies and War Savings Certificates.

Write for your copy.

McLEOD, YOUNG, WEIR & COMPANY
LIMITED
Metropolitan Building, Toronto
Telephone: Elgin 0161
Offices at Toronto, Montreal, Ottawa, Hamilton, London, Correspondents in New York and London, England.

The WESTERN SAVINGS and LOAN ASSOCIATION
HEAD OFFICE: WINNIPEG, MANITOBA
OFFICES
Agency Building - - - - - - Edmonton, Alta.
221 A 8th Ave. W. - - - - - - Calgary, Alta.
McCallum-Hill Building - - - - - Regina, Sask.
411 Avenue Building - - - - - Saskatoon, Sask.

SHE HELPED BOMB GERMANY

The Marconi radio sets she helped to build are guiding the planes on their bombing flights over enemy territory. Men and Women of Marconi are making a major war contribution in the manufacture of radio equipment for planes, tanks, ships, ground forces, at airports, radio direction finding stations and wireless schools. Thousands of transmitting and receiving sets have been manufactured in the Marconi factory since the war began — and it is the proud claim of all Marconi workers that each set fully lives up to the traditions and the high standard of quality set by Marconi — the man who gave radio to the world.

Take Care of Your Present Radio

The set you now have in your home may have to last you for the duration. Take good care of it . . . have it checked regularly. Marconi parts and Marconi RVC Radiotrons are still available and your Marconi dealer or radio repair man will be glad to serve you.

MARCONI . . . THE GREATEST NAME IN RADIO
MARCONI BUILDING — MONTREAL
Vancouver Winnipeg Toronto Halifax St. John's, Nfld

CANADIAN MARCONI COMPANY
ESTABLISHED 1903

Tune in "Yesterday, Today and Tomorrow", CBC Network every Sunday at 5.30 p.m. EDST

ON ACTIVE SERVICE

WHERE RADIO MUST NOT FAIL MARCONI REIGNS SUPREME

does a thorough coverage job in Rural Canada.

With a nation-wide acceptance of nearly 1,250,000 READERS the Family Herald and Weekly Star takes your sales message into every farm district across Canada.

You can contact a ready market for TODAY — and cultivate sales for TOMORROW by using one paper — the Family Herald.

Family Herald and Weekly Star
CANADA'S NATIONAL FARM MAGAZINE
MONTREAL CANADA

BARCLAYS BANK (CANADA)
OFFERS A COMPLETE BANKING SERVICE

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A CANADIAN CHARTERED BANK

Current and Savings Accounts.
Ration Coupon Accounts.
Commercial Loans Granted.
Domestic and Foreign Bills Collected.
Securities held in Safe Custody.
Safety Deposit Boxes Rented.

BARCLAYS BANK (CANADA)
MONTREAL 214 ST. JAMES STREET
TORONTO 60 KING STREET WEST

PAGE-HERSEY TUBES, LIMITED

BALANCE SHEET AS AT DECEMBER 31st, 1942

ASSETS

Fixed		
Real Estate, Buildings, Plant, Machinery and Equipment, at cost	$7,058,485.67	
Investment in Stock of Subsidiary Company	50,000.00	
		$ 7,108,485.67
Deferred		
Estimated Refundable Portion of Excess Profits Tax		64,134.80
Current		
Cash on hand and in Banks	566,118.52	
Accounts and Bills Receivable—less Reserves	1,601,266.68	
Employees' Stock Purchase Fund	44,706.52	
Investment in Government Bonds and other marketable Securities (Market value $5,145,882.95)	4,494,038.70	
Merchandise Inventory—valued at the lower of cost or market—less reserve	3,522,698.17	
		10,228,828.59
		$17,401,449.06

LIABILITIES

Capital Stock			
No Par Value, Authorized 175,000 shares			
Issued and Outstanding—174,276 shares		$6,249,670.68	
Earned Surplus		2,762,756.00	
Profit and Loss Account	$1,694,110.75		
Add: Refundable Portion of Excess Profits Tax, per contra	64,134.80		
		1,758,245.55	
			$10,770,672.23
Reserves			
Depreciation of Buildings, Plant, Machinery and Equipment		4,478,207.79	
Furnace Reconstruction		30,000.00	
			4,508,207.79
Current			
Accounts Payable		754,021.43	
Wages and Miscellaneous Expenses Accrued		319,579.28	
Due to Subsidiary Company		71,394.29	
Dividend declared and payable January 2nd, 1943		215,845.00	
Provision for Income and Excess Profits Taxes—less amount paid		761,729.04	
			2,122,569.04
			$17,401,449.06

Certified correct as per Auditor's Report.
Signed on behalf of the Board,

A. W. HOLMESTED, Director.
A. MACFADYEN, Director.

More Woodpulp To Go to U. S.

From Our Own Correspondent

MONTREAL. — Canadian newsprint operators are being asked to provide the United States with 107,000 tons of pulp in the next few months, in addition to 1,170,000 tons already promised for 1943.

This was announced by R. L. Weldon, Canadian Newsprint Administrator, and A. G. Wakeman, Director of Pulp and Paper Division of the U. S. War Production Board, who said that the supply of pulpwood from this season's cut and now in sight at Canadian mills makes it possible to provide additional pulp to meet the urgent needs of the United States.

It was stated in the announcement that the situation will be reviewed toward the end of April, when it will be decided if still more woodpulp can be made available.

Authorization has been given for shipments of 1,550,000 cords of Canadian pulpwood to mills in the United States.

Cut C.P.R. Debt $92 Millions

With announcement that it will retire $13 millions of its 3% convertible collateral trust bonds of 1945 in April at 102, debt retirements of the Canadian Pacific Railway Co. since the beginning of 1939 have been brought to nearly $92 millions, equivalent to $6.86 a share on the outstanding ordinary stock.

The extent of the Canadian Pacific retirements since the beginning of 1939 follows:

Canadian Pacific Debt Charges

1939 net retirements	$3,988,938
1940 " "	29,920,680
1941 " "	29,486,493
Total	63,396,111
Retired in 1942:	
6% call. bonds	11,124,500
4% ser. notes	638,285
Equipment notes	3,162,932
Total	78,321,828
Called or Redeemed, 1943:	
4% serial notes	638,285
3% bonds, 1945	13,000,000
Grand total	91,960,113
Reduction per share	$6.86

Building Pace Is Accelerated

Increased building activity was noted in February, with construction volume for the month totalling $19,919,000 as compared with $11,052,200 in Feb., 1942, according to MacLean Building Reports.

Feature of the month's activity was the increase in engineering construction to $10,340,000, up $9,696,500 from the total a year ago. Industrial construction moved up to $3,131,900 from $2,319,300. Residential construction dropped from $2,464,700 in Feb., 1942, to $1,987,300, while business construction declined to $3,559,800 from $5,624,700.

Following is a summary of large awards in February:

Large Awards in February, 1943

Windsor, Ont.—plant	$500,000
Quebec, Province—airport	500,000
Montreal, Que.—addn. to university	300,000
Oshawa, Ont.—addl. accom.	200,000
Brockville, Ont.—addl. accom.	200,000
Windsor, Ont.—plant alts.	180,000
Malton, Ont.—cafeteria	140,000
Vancouver, B.C.—plant	127,000
Quebec, Province—plant addn.	125,000
Kingston, Ont.—hostel	100,900
Port Hope, Ont.—plant addn.	83,000
Hamilton, Ont.—plant rprs.	70,000
York Twp., Ont.—canteen addn.	70,000
Fort William, Ont.—plant alts.	68,400
Windsor, Ont.—plant addn.	66,000
London, Ont.—camp bldgs.	64,000
Windsor, Ont.—plant addn.	63,000
Dundurn, Sask.—hospital	60,000
Calgary, Alta.—bldg. alts.	60,000
Rivers, Man.—school	60,000
Summerside, P.E.I.—addl. roads	50,000
Cap de la Madeleine, Que.—plant alts.	50,000
Montreal, Que.—school	50,000
Rimouski, Que.—camp addn.	50,000

See B. C. Labor Proposal Invitation to C. I. O.

From Our Own Correspondent

VANCOUVER.—Although representatives of the forest industries, such as logging operators and sawmill men, appear to be reasonably satisfied with the proposed amendments to the British Columbia Industrial Disputes Conciliation and Arbitration Act, mining men are afraid that they will give the C.I.O. encouragement and jeopardize the harmonious relations long prevailing in such camps as Trail, where co-operative committees have been the bargaining agencies and the employees' representatives in all negotiations with the management.

President S. G. Blaylock of Consolidated Mining & Smelting Co., which employs more than 8,000 men in its various operations, states that if the bill as introduced by Labor Minister George S. Pearson is passed by the Legislature at its present session, his company's co-operative committee plan will be seriously embarrassed.

Would Outlaw Assistance

Under the Trail plan, officials of the co-operative committee representing all departments are permitted to attend to committee affairs on company time and the company also provides required stationery and other facilities. This assistance would be outlawed by the Pearson amendments, even though the company does not make outright cash payments to the "union" such as the new legislation forbids.

Mining men also object to a provision which stipulates that union members voting for a bargaining agency must be a member of three months' standing and that while they are not eligible to vote after being six months in arrears in union fees they may reinstate themselves by paying only one month's dues.

Some months ago the C.I.O. announced that it intended to make a "drive" on Consolidated Mining & Smelting Company, but so far it has apparently made little headway.

Company Attitude

The attitude of the company and the co-operative committee is summed up by Mr. Blaylock when he says:

"We are not against labor unions. But we think we have something better. Independent, international labor unions may be necessary in some companies where the management has failed to pursue an enlightened and progressive policy in labor relations, but our achievements at Consolidated have demonstrated that unions were not necessary and it is my opinion that they would have been a hindrance.

"In our co-operative committees everyone is working for the company as well as for his fellow employee and his own interest. We all try to pull together and give each other an even break. Very often our committees suggest a course of action beneficial to the company. Whoever heard of an international union giving such advice to management?

"Governments cannot legislate industrial peace, yet I am sure that various governments will feel called upon to pass legislation of one kind or another in an effort to secure more advantages for the working classes.

"I am satisfied that legislation would be one of the poorest and most wasteful attempts to accomplish the desired effect."

Wages should be based on three things:

1. The base wage sufficient to provide the worker and his family with the cost of living and a standard of comfort appropriate to his community.

2. A bonus based on the efficiency of his labor, to provide an incentive to do more and better work.

3. A profit sharing bonus."

—Blank & Stoller photo.

PARTNER

Lt.-Col. Raymond Garneau, who has been admitted to partnership in Greenshields & Co. A veteran of the last war, he also served in the present war until ill health forced his retirement from active service. He joined Greenshields & Co. in 1924 and before that was engaged in general financial business.

B. C. Logging Industry Needs 4,000 Additional Workers

From Our Own Correspondent

VANCOUVER. — British Columbia's hard-pressed logging industry needs 4,000 additional men, and it is urging Ottawa to release many technically-trained key men now working in shipyards and other industries or serving at home in the armed services.

"There is a timber famine in Canada today," one prominent timberman told The Financial Post, "Weather conditions in January and February resulted in virtually a complete shutdown of the industry at a time when lumber and other forest products were most in demand. Construction of civilian houses has been completely banned on the west coast as a result of the lumber shortage and construction contracts for the government are delayed all over Canada because of the same situation.

Decision Needed

"Ottawa must decide sooner or later how timber production ranks with other forms of industry. One thing is certain: Production will be far below the established quotas this year if there is no relief. We are already 200 million feet short in production and the year has barely begun."

During the last week the Canadian Government granted permission for interior B. C. logging camps and sawmills to employ Japanese labor. Estimates of the number of Japs who can be employed run as high as 2,000 men by next June.

Newsprint Price Advance General

From Our Own Correspondent

MONTREAL. — All newsprint manufacturers in Canada and the United States, with one exception, have made effective as of March 1 the $4 a ton price increase.

The one exception is St. Croix Paper Co., operating a mill of about 77,000 tons annual capacity at Woodland, Me., which is making the increase effective April 1.

Although Newfoundland is not covered by this action, Bowater's Newfoundland Pulp & Paper Mills Ltd., have also increased price, effective March 1.

U. S. Woodpulp Stocks Off Again in January

Stocks of purchased woodpulp in the United States as reported to the American Paper and Pulp Association on Feb. 1 showed a decrease for the fourth consecutive month. Total stocks amounted to approximately 209,000 tons, a decrease of 23,000 tons from Jan. 1.

C. N. Repatriates $86.9 Millions

Canadian National Railways repatriated from the United Kingdom $596,541 of its own securities during January.

For the period April 1, 1942, to Jan. 31, 1943, repatriated securities with a value of $86.9 millions have been purchased. This contrasts with $11.7 millions for the same period of the preceding year.

Quebec Plans For Postwar

Social and Economic Changes Forecast in Throne Speech

From Our Own Correspondent

MONTREAL. — A broad programme of social legislation to fit in with the postwar period was forecast by the Speech from the Throne at the opening of the Quebec Legislature.

The government intends to carry out a rural electrification programme when conditions permit. The proposal is that the government will provide the capital necessary for the extension of lines and will buy power for redistribution, with the utility companies handling operations.

Legislation will be introduced to provide indemnities to certain classes of sufferers from industrial diseases who do not enjoy any compensation at present.

Other legislation forecast would call for: Exemptions from succession duties; a civil service commission, compulsory education for all children under 14; an increase in allowances to needy mothers, and study of a plan for social security.

Lay Economic Plans

In the economic field, the government proposes to set up a colonization agency for new districts along lines of that now existing for older parishes.

The speech announced a forestry roads policy.

The government intends to grant credit guarantees to fishermen and to increase the capacity of cold storage plants.

Consideration will be given to a scheme for the greater protection of small manufacturers and merchants.

In addition the government will bring up the question of an economic council.

S.E.C. report of security transactions and holdings includes the following of Canadian interest:

Canadian Pacific—S. G. Blaylock, director, holds 2,384 common shares; C. A. Dunning, director, holds 1,000 common shares.

Distillers Corp.-Seagram—W. W. Wachtel, director, holds 400 common shares and 100 preferred.

Hiram Walker - Gooderham & Worts—L. M. McCarthy, director, disposed of 100 common shares retaining 300.

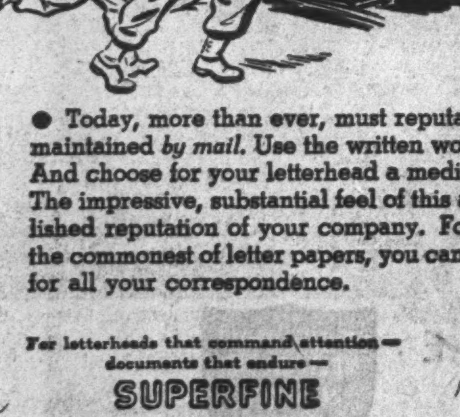
Bowater's Newfoundland Pulp and Paper Mills Limited

CORNER BROOK

Offer their shop facilities for manufacture and repair of machinery for War Work and other purposes including ship repairs and overhaul.

Modern machine shop, also welding, blacksmith, tinsmith, carpenter and electricians shops, well equipped with machines and skilled craftsmen capable of handling heavy or light work.

Modern foundry with a capacity for making cast iron and semi-steel castings from 1 lb. to 10,000 lbs., and brass and bronze castings from 1 lb. to 5,000 lbs.



Fine letterheads— spearheads of business

● Today, more than ever, must reputations for quality, integrity and high repute be maintained *by mail.* Use the written word to hold and strengthen valued connections. And choose for your letterhead a medium worthy of its task: *Superfine Linen Record.* The impressive, substantial feel of this all-rag bond* bears silent witness to the established reputation of your company. For a fraction of a cent more than the cost of the commonest of letter papers, you can make this, Canada's finest paper, the medium for all your correspondence.

*The best papers are made from rags

For letterheads that command attention— documents that endure—

SUPERFINE LINEN RECORD

ROLLAND PAPER COMPANY LIMITED
High Grade Paper Makers since 1882
MONTREAL, QUE.

BRANCH: TORONTO, ONT. • MILLS AT ST. JEROME, QUE. AND MONT ROLLAND, QUE.

LIST OF SURVIVORS

Sink or swim—advertise or be forgotten—despite wartime restrictions—is the order of the day, and will so continue for the duration. Among those who will undoubtedly survive are these national advertisers who used the columns of The Evening Telegram last year. Without including *all* national classifications, or "Miscellaneous" advertisers, the list gives a good picture of the wartime spirit of Canadian business practise:

AGRICULTURAL	10	MEDICAL	115
CANDIES	8	PUBLIC UTILITIES	6
GROCERY PRODUCTS	123	RADIO SETS	3
HOUSE FURNISHINGS	6	SPORTS GOODS	5
HEATING	3	TOBACCO, ETC.	30
INDUSTRIAL	45	TOILET REQUISITES	64
INSURANCE	20	TRANSPORTATION	10
JEWELLERY	3	WEARING APPAREL	11

All of the above are continuing their advertising steadily in 1943 in this paper, and in many instances are increasing their schedules.

TORONTO IS A "TELEGRAM" CITY

THE EVENING TELEGRAM
TORONTO CANADA

MONTREAL: E. R. CHOWN, Dominion Square Building

Abitibi Power & Paper Company, Limited

TORONTO, ONT.

Owning directly or through subsidiary companies, mills at

Beaupre, Que.	Iroquois Falls, Ont.
Pine Falls, Man.	Smooth Rock Falls, Ont.
Sault Ste. Marie, Ont.	Fort William, Ont.
Port Arthur, Ont.	

Newsprint
Groundwood Pulp   News Sulphite Pulp
High Grade Bleached Sulphite Pulp

The great advance in Science due to war is not only helping to win peace but will be available to better our world afterwards. Electronics comes under this heading with miracles that are stepping up and improving the production of vital war needs. Electronically controlled resistance welders take only days to do jobs that once required weeks. Electronics have enabled the armed forces to see into fog and darkness . . . to smell poisonous gases before breathing them.

Minneapolis-Honeywell's first contribution, employing the electronic principle, was the Brown Continuous-Balance Potentiometer. It is the only instrument of this type that detects temperature changes *instantly* . . . all others have periodic detecting mechanisms which are slow by comparison. Such minute accuracy is essential in producing today's special alloy metals.

Minneapolis-Honeywell promises home owners as well as industry that, when peace comes, it will have improved types of temperature controls available for all. Since 1885 Minneapolis-Honeywell has pioneered the development of thermostatic and control devices for Heating, Air Conditioning and Refrigeration. Peace will bring many new miracles from the laboratories of this leader . . . miracles to better industrial processes . . . miracles to make our homes safer and more comfortable.

MINNEAPOLIS-HONEYWELL REGULATOR COMPANY LIMITED
117 Peter Street, Toronto
Branches — Montreal, Winnipeg and Calgary

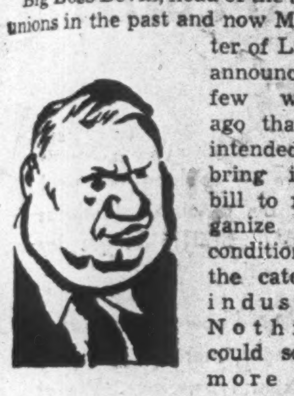
MINNEAPOLIS-HONEYWELL
Regulator Company Limited

LONDON CALLING

WRITTEN EACH WEEK EXCLUSIVELY FOR THE FINANCIAL POST BY *Adelphi*

LONDON.—The revolt of 116 Tory M.P.'s against the government has caused a great deal of excitement. As usual in England it was a bloodless affair but left some highly discolored bruises. Also, as usual in England, it was about a subject which would be utterly incomprehensible to a foreigner. While one would not classify Canadians under such a heading it still might be useful to explain the apparently inexplicable.

Big Boss Bevin, head of the trade unions in the past and now Minister of Labor, announced a few weeks ago that he intended to bring in a bill to reorganize the conditions of the catering industry. Nothing could sound more innocuous than that, but suddenly Sir Douglas Hacking, until recently the chairman of the Tory party, declared that he and his friends would oppose the bill with all the force at their command. Bevin laughed. How many "friends" could a former party chairman lead into the lobby against the discipline of the government whips?



ERNEST BEVIN

Sir Douglas took his stand on two points:—

1. That no reorganization of the catering industry should be undertaken without a preliminary and impartial enquiry.
2. Sir Stafford Cripps, when Leader of the House, promised categorically that during the war, the government would not introduce controversial legislation.

Bevin's reply was that the bill was necessary, and that it was only controversial because Hacking and his crowd were making it so. He half conceded a point, however, by saying that he would set up an impartial commission to enquire into the industry and make recommendations to himself.

Hacking's retort was: "The fight is on."

So the House of Commons met in an atmosphere of great excitement. Churchill, back from Casablanca, looked in for a few minutes, was loudly cheered but left before the main bout. Although the head of the Government, he was not going to take part. He left that to Anthony Eden, as Leader of the House, who acted as Bevin's manager in the corner.

* * *

Boarding House to Ritz

Here I might explain that the word "catering" is a most comprehensive one. It covers luxury hotels like the Savoy and the Ritz, commercial hotels, public houses, clubs, restaurants, canteens, boarding houses and, if the minister stretched a point, domestic service. The argument made by the handsome Sir Douglas was that the whole trade was so diffuse and so individualistic that it should be left to itself—failing an enquiry that proved such a course wrong How can you legislate hours, wages, accommodation and rest periods for a waiter at the Ritz and a waiter in a Blackpool seaside Boarding House?

There was of course a deeper issue involved. Bevin, as the dictator of the nation's man and womanpower has come to think in terms of mass movements. The tortuous ways of private enterprise and personal initiative with freedom of workers to choose their own vocations are bound to seem out of date to a man with such power. On the other hand the Tories believe that the trend towards State control and State interference, inevitable in wartime, has gone too far.

It is true that Churchill as Tory Leader and the other Tory ministers had agreed to the bill, but even that would not silence Hacking and his rebels. Hence the excitement when Bevin rose in his place.

* * *

Bevin Blooms

Ernest Bevin has developed as a parliamentarian. In 1940, he came direct from the trade unions to the front bench and, at first, was impatient of the niceties of debate. Now he is more patient. His opening with a historical survey of social legislation was worthy of an old parliamentary hand. But finally he let himself go.

Like most successful men, Bevin is a good actor. When picturing a mighty reconstructed catering industry after the war he looked like mine host beaming welcome to the arriving tourists from abroad. And how absurd to call this bill controversial! Besides he was setting up an impartial commission, himself.

"To be paid by you!"

"To carry out your orders!" shouted the rebels.

Bevin turned majestically upon the Tory benches. "All my life," he said, "I have been setting up impartial committees. I say it is unworthy of the House to cast aspersions upon the integrity of men who have not yet even been appointed."

When he had finished, the courtly Sir Douglas Hacking rose. Would Mr. Eden, as Leader of the House give a further day for the discussion of the measure as so many honorable members wanted to speak?

Mr. Eden: "No, Sir."

Would the Leader of the House consider prolonging the time of the debate this day?

Mr. Eden: "No, Sir."

It was an intriguing situation. Here was Anthony Eden, heir-apparent to the Tory throne, backing a Socialist Minister against a former Tory Chairman and a considerable section of the Tory party. No wonder James Stuart, the Conservative chief whip looked puzzled No wonder Herbert Morrison, rival to Bevin for the socialist leadership, smiled like Mona Lisa.

* * *

Part for Lady Astor

So the thunder of debate rolled on through the day. There was an agreeable diversion when A. P. Herbert, the assistant editor of Punch, member for Oxford University and the official humorist of the House, had his usual knockabout with Nancy Astor. Herbert is a profound believer in the rights of an Englishman to drink when and what he pleases. Nancy is against drink at any time.

"I advise the Noble Lady," said Herbert after her fifth interruption of his speech, "to drink a barrel of port a day. It would make her a better citizen and a less restless member of this House."

The House laughed. Where could one get a bottle of port these days, much less a barrel!

With half an hour to go Bevin sent in his Under-Secretary Malcolm McCorquodale to wind up. It was a big chance for a junior minister and everyone wondered how the second half of the "beef trust" (both Bevin and McCorquodale are big men) would get on. Alas! The Under-Secretary decided to tell the rebels that they were silly and mischievous. The bill, he said, never should have been made an issue.

"The government has broken its pledge," shouted the rebels.

Eden jumped to his feet.

"My predecessor," he said, "promised not to introduce any controversial legislation." The hubbub was deafening. "This is not controversial!" shouted Eden, trying to make himself heard.

The roar of laughter from the rebels must have made the Thames tremble. Sir Stafford Cripps, from behind the speaker's chair, looked as innocent as a terrier which has started all the dogs in a neighborhood barking.

A.C.A. Committee Starts Detailed Postwar Study

B. W. Keightley Heads Group Which Will Compile Monthly Digest of Speeches, Reports and Articles on Reconstruction Plans

Through a widely representative committee headed by B. W. Keightley of Canadian Industries, Ltd., Montreal, the Association of Canadian Advertisers has launched a continuing study which embraces the collection, examination and appraisal of important thinking, expression, discussion and information bearing on postwar planning.

From month to month, as this study progresses, the findings will be set forth in a monthly digest. The association is making this new service available to the public, at a subscription charge of $15 a year.

The first issue of the digest, known as the "Continuing Study of Postwar Trends," has just come out, and covers articles culled from more than 100 publications. It includes a study of news, speeches, surveys, government reports and books, and makes suggestions for extended reading. In addition, the association will send out verbatim reprints of outstanding speeches and reports.

It is the job of the A.C.A. committee members—18 in all—not only to recognize the significant trends in postwar planning but to explore and appraise them. Each member is responsible for each of more than a dozen separate classifications—reading, studying, digesting and reporting. In addition to the appraisals they bring together for each issue there is a guest editorial and a general review of the month by Chairman Keightley.

The first issue covers authoritative articles, international in scope, on attitudes towards Germany; gives keynotes of expression on the Beveridge Plan, summarizes Fortune's supplements on postwar affairs. It gives important references to Henry J. Kaiser's plan, also to the new world blueprint by Dr. A. H. Hansen, No. 1 New Deal Postwar Planner. Data is given on income tax, on the Ruml plan, on finance in general, and on how to organize and conduct postwar planning activities, together with information on markets and marketing, on channels of effort, products and the testing of products, postwar metals and plastics, the cars of the future, war measures and controls.

Members of the special A.C.A. committee are:

B. W. Keightley, chairman and editor, Canadian Industries Ltd.
Allan Cook, associate editor, Editorial Associates Ltd.
J. C. Nelson, finance, Royal Bank of Canada.
G. S. H. Carter, finance, Toronto General Trusts Corp.
F. A. McLean, management, Canadian Ingersoll Rand Co.
G. Williams, management, Ford Motor Co. of Canada.
E. M. Yale, trade, Chas. E. Frosst & Co.
C. M. Short, trade, Canadian Bank of Commerce.
G. Walter Brown, distribution, Bristol-Myers Co.
E. R. Taylor, distribution, Geo. Weston, Ltd.
Miss Muriel Whitlock, technological development, Courtaulds (Canada) Ltd.
C. E. MacDonald, technological development, International Nickel Co. of Canada.
W. R. Bole, government controls, National Drug & Chemical Co. of Canada.
H. S. Van Scoyoc, reconstruction, Canada Cement Co.
D. W. Kelly, agricultural, Canadian Industries Ltd.
John Martin, agricultural, Massey-Harris Co.
D. E. Bankart, labor, Northern Electric Co.
R. E. Jones, social and agricultural, General Foods Ltd.

Budgeting For Surplus In British Columbia

Premier John Hart of British Columbia estimates that revenues of his province will be $31,987,537 and expenditures $31,792,446 in the fiscal year ending March 31, 1944, leaving a surplus of $195,091.

His estimates for 1942-43 called for revenues of $33,155,059 and expenditures of $33,094,293. Actual collections during the first nine months of the period totalled $25.7 millions, and indications are that for the full year they will exceed the budget figure.

In 1941-42 B. C. revenues set an all-time high of $38,763,546 against expenditures of $31,342,923.

Cutting Debt

Premier Hart points out that material debt reductions and the refinancing of provincial obligations at lower interest rates are reflected by considerable savings in the annual provision for debt interest. On Nov. 1, 1933, the province's gross debt of $166.9 millions carried an average rate of 4.732% and cost the province annually $7.9 millions. On Dec. 1, 1942, it amounted to $157.3 millions, or $9.6 millions less, the average interest rate was 4.02%, and the annual cost of interest $6.3 millions.

Biggest decreases expected in 1943-44 revenue are $200,000 in liquor profits and $800,000 from taxes on realty imposed on behalf of rural districts school boards. This latter deduction is also made from estimated expenditure account, the move eliminating from both accounts amounts which do not form part of government financing proper and which, at no time, were anything other than a measure designed to assist school boards in imposing and collecting their taxes.

Further Losses Possible

Premier Hart notes that while revenues were estimated on a conservative basis, it is quite possible that war regulations and exigencies may further reduce certain yields, in which event it is proposed, if possible, to meet such shortage by curtailing expenditure wherever it least affects the adequate provision of public services.

A big drop in expenditures from current year's estimates is that of $584,587 in public debt interest and exchange, as a result of debt payments and refinancing of the unpaid balance of the P. G. E. Railway guaranteed stock and bonds.

Assistance Drops

The number of persons assisted by the province has dropped from 50,319 at Sept., 1939, to 8,391 at Sept., 1942. Little further decrease is expected in the number of unemployables or indigents. The reduction in the number receiving aid is reflected in a contraction in expenditures. Where the current year's estimates contain a provision of $2.4 millions, the estimate for social assistance for 1943-44 is $1.7 millions. This figure includes a 20% increase in basic allowances and provides for the provincial share of medical aid to beneficiaries under the Old Age Pensions and Mothers' Allowance Acts.

It is proposed to earmark future revenue surpluses as reserves against possible revenue contractions or serious emergencies.

Lose Liquor Revenues

Premier Hart noted that on Jan. 31, 1942, Finance Minister Ilsley said that it was not the intention of the Dominion Government to enter the field of regulation of the sale of alcoholic beverages or to treat it as other than one belonging entirely to the provinces. Subsequent action by the Dominion, however, had resulted in a fresh invasion of the provincial field of jurisdiction. On Federal moves in the liquor field Premier Hart commented:

"It is regrettable that war emergency should be the cause of another enroachment upon our provincial autonomy and accentuate the already strong trends toward centralization. However, in conformity with our expressed policy of full co-operation, in any measure designed to facilitate and expedite our national war effort, no representation with respect to our autonomous rights were made; we were compelled, however, to make representation with respect to our financial position."

Cost $2 Millions

So far as British Columbia is concerned, the loss resulting from the new liquor regulations, based on the province's experience for the calendar year 1942, would amount to approximately $2 millions annually That from motor vehicle licenses cannot yet be determined accurately The Premier added:

"These losses added to the general decline in other revenue yields would affect seriously the field and volume of our social services and consequently, this province has asked the Dominion for compensating guarantees similar to others accorded in the tax agreement."

Postwar Borrowing

A bill authorizing the government to borrow $15 millions for highway and public buildings construction has been introduced in the B. C Legislative House. It is emphasized however, that no work projects of major character will take place during the war except those vital to national security and the public good.

The bulk of the borrowing power represents the primary step that is being taken to deal with postwar reconstruction and rehabilitation. Idea behind the authorization is that the work that will be provided as a result of these capital borrowings will act as a cushion during the critical demobilization period and assist in the part solution of the problem that will then confront the province.

National Steel Car Corp. has declared a bonus of $1 a share payable along with the regular 50 cents a share quarterly, on April 15 to shareholders of record March 15. The announcement adds that dividend policy is being considered. Payment of approximately $4 millions for the Malton plant taken over by the government has been received by the company.

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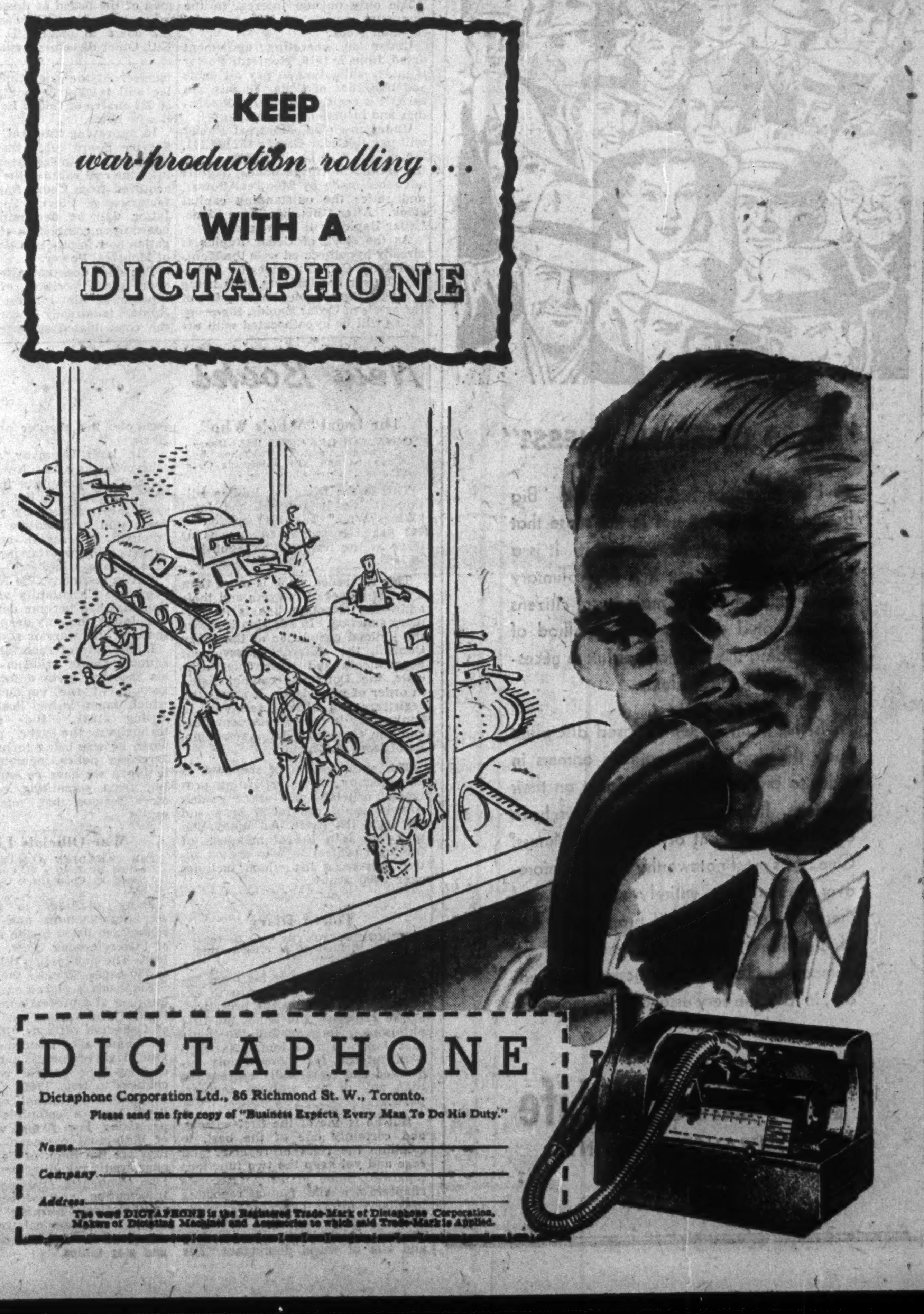


Welles Points Postwar Plan

International Economic Co-operation to be Foundation

By ROBERT T. ELSON

WASHINGTON.—Foundations for postwar relationships within the United Nations are going to be laid upon a realistic basis. Under-secretary of State Sumner Welles' speech in Toronto recently was a major announcement of American policy making clear the approach is to be economic rather than political.

Later in a press conference here he said that the first discussions on postwar problems would be held at "the technical level." Authoritative sources say Mr. Welles' view is fully supported in London which is in full accord with the policy of widening co-operation between the Allies for the postwar period by establishing areas of agreement in the economic sphere and later extending them to political matters.

See International Agreements Long Overdue Need

This may sound academic, but it isn't. It means that an attempt will be made to reach agreements on international relief; on food supply; on communications and civilian aviation, to cite two controversial matters, and later use these agreements as the basis for maintaining co-operation around the peace table. Comment on the Welles' speech here was in accord with his contention that the time was long overdue to tackle some of these problems although some felt that the United Nations could also afford to approach political problems as well.

Underlying this tremendous interest in postwar problems is, of course, the strong undercurrent of optimism about the progress of the war which realistic warnings by Roosevelt and other U. S. leaders fail to stem. What most people refuse to contemplate is the possibility that even if the United Nations definitely this year gained the ascendancy in both theatres—the Atlantic and the Pacific—no immediate peace settlement is possible.

There is almost certain to be a long armistice during which no political settlement will be possible. But in that period the economic arrangements now being studied can be put into force.

In these Canada has major interests.

Canadian Agricultural Output To Help Feed Europe

To the proposed international pool of relief, for which a draft convention between the major powers has already been drafted, Canada may be expected to contribute food. Already we stand committed under the wheat convention terms to send substantial shipments of wheat. The Dominion will be asked to maintain its agricultural production at high levels in order to help rebuild a shattered Europe.

In the conference on food supply, announced by President Roosevelt two weeks ago, Canada also has a major stake. The Ottawa agreements guaranteed Canada overseas markets; if now world supply lines are going to be channelled along different routes Canada will want a say as to where her surplus food is to be directed.

Exploratory talks have already begun between Canada and the United States in respect to postwar aviation. A problem in which the Dominion has a keen interest because of her key position on the routes to and from the United States. An interdepartmental committee headed by Assistant Secretary of State Adolph A. Berle, Jr., is trying now to formulate American policy. Canada has received a guarantee from Washington that she will be kept fully informed of any aviation development between Britain, or any other interested power and the United States.

Although speeches by representative Clare Boothe Luce, who has attacked Vice-president Wallace's internationalist ideas, have whipped up domestic interest in the so-called struggle for the airways, the facts are less dramatic. You cannot divorce postwar civil aviation from military aviation and the usual generalizations that are made on this subject don't stand up when you analyze them in the light of the technical questions that have yet to be answered. The ambitious members of Congress who would like to see the United States dominate the skies run up against the inescapable facts that the United States does not control petroleum reserves or the major routes over which American air liners on world service must pass. Thus the advantage that the U. S. possesses by reason of its technical advancement of transport plane production is by no means the ace in the hole that it appears.

Postwar aviation routes and development will depend upon a number of things not the least of which will be diplomatic horse-trading.

Opening for Canada to Move in Aviation

Canada must decide what role she wishes to play in aviation. A U. S. official told me this week: "There is no reason why Canada should not have a world air line. But Canada must make up its mind whether or not she wishes to undertake this development."

Thus Canada will have to decide whether she is to be content with developing domestic service or entering the world transportation picture as the C.P.R. did in the past with its great liners. Britain and the United States have expanded air operations, but Canada has not even established a transatlantic line to Great Britain.

Incidentally a number of Canadian officials in Washington wonder from time to time why Trans-Canada hasn't bestirred itself to establish direct communications between Ottawa and Washington. The traffic between the two capitals is at its peak, but there is no direct air line and even rail connections are circuitous and time-consuming. Only member of the cabinet who manages to circumvent them is Hon. C. D. Howe who usually flies into Washington by the Department of Transport's private plane. Best explanation appears to be that T.C.A. can't get enough equipment for the job.

DIRECTOR

Brian Heward has been elected a director of the Canadian board of the Yorkshire Insurance Co. Mr. Heward is a partner of Jones, Heward & Co., Montreal, and a director of Consumers Glass Co.

Gasoline Use In Canada Was Down 3.8% in 1942

Decreased 1.1 Million Barrels as Compared With Previous Year; Consumption of Light Fuel Oils, Tractor Distillate, Slightly Higher

Canada's consumption of gasoline last year decreased 1.1 million bbls., or 3.8%, compared with that in 1941, according to figures compiled by the office of the oil controller and published by the Dominion Bureau of Statistics. On the other hand consumption of tractor distillate, compiled seperately for the Prairies, was 12.9% higher. Light fuel oil, which also includes tractor distillate in all parts of the country except the Prairies, was up 1.4%. Consumption of heavy fuel oil was down 3.8%.

Overall consumption of petroleum fuels in 1942 was down 1.5 million bbls. or 2.8%.

By market areas, the figures reveal that gasoline consumption in the Maritimes was slightly below last year but that the greater share of the reduction achieved was the result of savings made in the heavy consuming areas of Quebec and Ontario. The Prairies showed a gain of more than 10% while British Columbia consumption was a few thousand barrels higher.

These figures are based on production, imports, exports and inventory adjustments. They include aviation gasoline and solvents.

Petroleum Fuel Consumption
(Barrels of 35 Imperial Gallons)

	1942	1941
Gasoline		
Maritimes	2,139,599	2,152,959
Quebec & Ontario	14,818,892	16,633,517
Prairies	7,744,935	7,010,758
British Columbia	2,077,147	2,063,683
Total	26,780,573	27,869,917
Tractor Distillate		
Prairies	1,200,323	1,062,591
Light Fuel Oil		
Maritimes	1,245,789	1,423,167
Quebec & Ontario	4,879,942	4,775,921
Prairies	750,836	694,850
British Columbia	1,136,602	1,011,825
Total	8,013,169	7,905,763
Heavy Fuel Oil		
Maritimes	3,501,905	3,999,245
Quebec & Ontario	6,609,361	7,020,091
Prairies	1,185,241	1,088,856
British Columbia	4,595,546	4,412,546
Total	15,,892,094	16,520,738
Total all fuels	51,886,159	53,359,009

Big Fuel Oil Saving

Munitions and Supply Minister Howe recently announced that curtailment of fuel oil use for heating purposes had saved 100 million gals. a year. Conversion from use of fuel oil for heating to other fuels have been made in 9,000 buildings, it is stated.

No official estimate of the cost of this conversion has ever been made but, from information given to The Financial Post by individuals who have converted from oil to other fuels, the cost must have run to at least $10 millions in all. Individual costs for office buildings, apartments, hospitals and others required to change, seem to be running $1,000 or more on the average.

Canada's crude oil came in before the war by pipe line to Sarnia and by ocean and lake tanker to other refining centres. About 20 ocean tankers were required to supply us. Losses have occurred since the war started due to sinkings and diversion to more vital routes and the supply of crude and refined products in Canada continues to be primarily a problem of transport.

Build New Tankers

Mr. Howe recently stated that one new 10,000-ton cargo ship, built under the supervision of Wartime Merchant Shipping Ltd., has been converted into an oil tanker. Four more ships are in process of conversion. Contracts have recently been let for construction of three 3,700-ton oil tankers while eight or more vessels have been built or converted by private companies since 1939.

Under ordinary circumstances this would probably replace Canada's lost tank ship capacity, but Canada operates as a member of the United Nations shipping pool. This means that our tankers are used according to plans determined by the master war strategy and our own needs have to be considered as a part of the overall picture.

Word from the United States suggests the possibility of a crude oil shortage by the end of 1943, according to a report prepared by the Petroleum Industry War Council. By the end of this year demand will have risen to 4.3 million bbls. daily but transport bottlenecks must be eased if output is to approach this figure. At present daily crude oil output in the United States is running around 3.9 million bbls. daily. Overall 1943 crude oil demand is expected to average 4.1 million bbls. daily.

The council indicates additional discoveries will have to be made to provide a safety factor of 10% and actual minimum demands at the end of this year and in 1944 and 1945.

Harpers Malartic Mines is reported to have a new financial deal under consideration.

• • •

Leitch Gold Mines has lost 50 employees or 40.3% of its normal payroll to the armed forces. Labor turnover was found to be high in 1942 but eased somewhat the last three months of the year.

'43...'44...?

WHO KNOWS WHEN THE WAR WILL BE OVER?

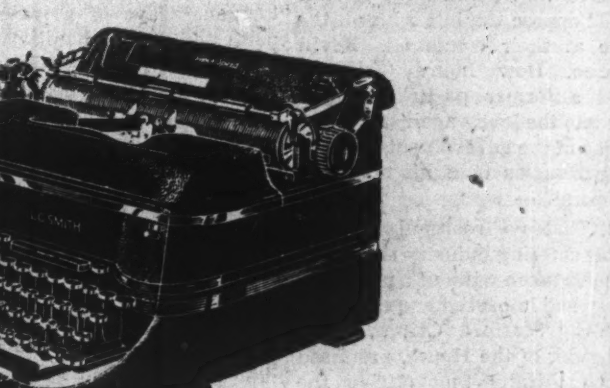
It's a Question Every Executive Should Consider

IN RELATION TO REBUILDING PRESENT TYPEWRITERS

Now that new typewriter manufacture is cut to the minimum of war needs, it is essential that your present typewriters be kept on the job for the duration. The best and most economical way to do this is to have your present L C SMITHS rebuilt under the supervision of the manufacturer.

This rebuilding by L C SMITH skilled factory-trained experts gives your machines a new lease on life — replaces worn-out parts, and restores the precision standards which make the L C SMITH unique for smooth, speedy operation.

A few dollars invested now will pay excellent dividends in longer, more efficient service from your present typewriters. We at Head Office in Toronto — or any L C Smith-Corona Branch Office or Dealer across Canada — will gladly estimate the cost, and also explain our economical service plan.



L C Smith & Corona Typewriters

OF CANADA LIMITED, TORONTO

Cedar Rapids Plan Passes

From Our Own Correspondent

MONTREAL.—Plans of Montreal Light Heat & Power Cons. for the absorption of its subsidiary, Cedar Rapids Manufacturing & Power Co., have been approved by the Quebec Public Service Board.

At the end of last August, Montreal Power had an investment of nearly $32.9 millions in Cedar Rapids, divided as follows: $8,869,442 of capital stock; $8.4 millions of bonds, and $15,601,141 of advances.

The only outside interest in the company consists of 137 shares of common stock.

Under an operating agreement dated June 7, 1916, Montreal Power is under obligation to pay all debts and liabilities of Cedar Rapids. In turn, it is entitled to retain all earnings and income of the company.

Under the plan, Montreal Power will pay to Cedar Rapids $32,901,141, which sum will be utilized to retire the second mortgage bonds, pay off advances made by Montreal Power, and retire the outstanding capital stock. After this has been done, Cedar Rapids will be wound up.

As the stock of Cedar Rapids is already hypothecated with the Montreal Trust Co., as trustees for Montreal Power bondholders, it is being arranged that upon the transfer of the assets of Cedar Rapids, the properties will be hypothecated with the trustee. At the same time, the trustee will release to Montreal Power 88,522 shares of Cedar Rapids which it now holds.

In approving the deal, the Public Service Board ruled that Montreal Power's investment does not establish the real value of the assets to be acquired from Cedar Rapids Manufacturing & Power, and that the latter will be determined by the board upon completion of an investigation now in process into the affairs of Montreal Power.

The deal does not affect the balance sheet position of Montreal Power, as its interest in Cedar Rapids is already incorporated in the consolidated statement.

Maritime Tel. Cuts Dividend

Directors of Maritime Telegraph & Telephone Co. have declared a dividend at the rate of 7% per annum on the common stock, instead of the former 8%.

Net earnings last year permitted the payment of the usual dividend of 80 cents a share per annum. No particular reason is given for the reduction in the rate of dividend.

At the annual meeting of shareholders, W. A. Winfield was elected president, succeeding his brother, J. H. Winfield, who became chairman of the board of directors.

Frank Smith, K.C., was elected to the board to succeed L. A. Lovett, K.C. Other directors were re-elected.

New Books . . .

The Legal "Who's Who"

CANADIAN LAW LIST, 1943. Henry Cartwright, editor. Published by Canadian Law List Publishing Co., Toronto. Price $5.00.

This is the Diamond Jubilee edition of the long-established legal "Who's Who." The 1943 edition of 743 pages is almost five times as large as the first edition published in 1883.

This reference work is more than a list of names of lawyers and their addresses, although this is its primary function. In addition it shows the judicial committee of the Privy Council, the different government departments and their chief officials, the Dominion cabinet listed in order of precedence. It shows the registrars and official receivers in bankruptcy in the various provinces and the Canadian Bar Association, its officers and history.

The main section of the book is arranged by provinces, listing provincial officials, post office guides, summaries of provincial laws and the legal list itself. An innovation this year is a list of members of the legal profession who are on active service, a list which includes over 1,600 names.

Tokyo Diary

TOYKO RECORD. By Otto D. Tolischus. McClelland & Stewart, Ltd. Price $4.

Otto D. Tolischus is far from being the first newspaperman to experience and recount the brutalities of the Japanese. He is not the first philosopher to propound the thesis that Japan is an oriental Naziland with fascism far more deeply ingrained and historically entrenched than any of her western counterparts.

But he is one of the first writers, and certainly one of the best, to combine the roles of reporter and sage and yet keep the two functions separate. Some of Tokyo Record's chapters are cold, factual reporting in diary form. Others are interpretive, delve deep into the background of Japanese self-deification and aim of world dominance. For example, the chapter on Nips and Nazis:

"In both Germany and Japan, the prophets of the New Order advanced as substitute for reason a new appeal to the prerational and the irrational by a deliberate reversion to primitive and savage thought patterns in order to reproduce the warrior psychology of the savage tribe."

But in Germany, the Nazis had to overcome Christianity and civilization that had become deeply rooted—in Japan, the only deep roots were those of the warrior state.

In his role of reporter, Tolischus adduces ample evidence to support his theories, gives a most detailed account of the various steps by which Japan lashed itself into war during 1941. His experiences throughout the year, particularly when he was being tortured by the Japanese police, demonstrate that in Japan we have an enemy suffering from something considerably more serious than temporary insanity.

War Officials Listed

THE CANADIAN ALMANAC (1943), edited by Horace C. Corner. Published by Copp Clark Co., Toronto. $7.

Many additions to government war organizations and their personnel are listed in the new edition of this reference work, revised for 1943. The publication this year runs to 750 pages, 25 more than last year.

Emphasis is placed on its value to business and professional men, particularly in wartime, as a directory of Canadian officials. Included are all members of Dominion and provincial governments, and a full list of new war control bodies, with changes to Dec., 1942.

Legal and judicial officials are listed, and a complete record of practising law firms, with names of individual partners. Other listings are the Bank of Canada and a chartered bank directory, trust and loan companies, customs and excise information, post offices and railway stations, forming a shipper's guide, astronomical calculations, showing denominational holidays and star tables.

"MASS UNSELFISHNESS!"

● Life insurance has been called "Big Business". It is, but not in the sense that those who used the term meant it. It is a big enterprise because it is the voluntary means which the great majority of citizens have adopted as their major method of safeguarding the purchase of future necessities for their dependents.

It is the result of self-imposed discipline upon the part of the nation's earners in order to protect those dependent on their earnings. It is the best illustration we have of the development of mass unselfishness. One of its most noteworthy features, moreover, is that it is entirely voluntary and therefore can be viewed properly as one of the finest flowers yet produced by democracy. Its characteristics and methods are, in fact, the very essence of democracy.

The Canada Life
ASSURANCE COMPANY
Established 1847

BARBED WIRE and enemy guards "do not a prison make" for Canadian soldiers captured by the enemy. Their thoughts, winging across the sea, meet Red Cross parcels on their way to them.

Last year, the enemy said "pass" to 2,000,000 such parcels. They were packed with 22,000,000 pounds of food and comforts welcomed by men to whom the barest necessities have become luxuries.

But, most of all, to each prisoner every Red Cross parcel is a message from home—a definite assurance that he is not forgotten, a reminder that no captured Canadian soldier is ever marked "off strength" by the Red Cross.

Thirty percent of the money you gave to the Red Cross last year was used to provide parcels for prisoners of war. The money you give now will help to keep up and increase this flow of good cheer and hope to these lonely men.

Consult your heart . . . Obey its dictates . . . Give liberally

CANADIAN ✚ RED CROSS

GIVE—human suffering is greater than ever NOW!

What Excess Profits Taxes Should You Pay?

A Series of Articles Dealing With Canada's Most Complex Tax Problem.

Following the series of 20 articles on personal and business income taxes, Mr. Gordon has written a series of articles dealing solely with the problem of excess profits taxes.

In many cases the language of the Canadian Act is similar to the words used in the English statute and in such cases the rules of interpretation laid down by the English judges in some 200 cases are of assistance in determining the rights of the Canadian taxpayer. Comparatively small number of definite Canadian decisions means that many of the interpretations given in this series should be regarded as the result of informed opinion rather than as official rulings.

Mr. Gordon has specialized on tax questions, and is the author of "Digest of Income Tax Cases of the British Commonwealth of Nations," published by the Department of National Revenue, Ottawa, 1939, with one supplement 1937-39 and another to appear next April. Mr. Gordon is also the author of, "Digest of Excess Profits Tax Cases of the British Commonwealth of Nations, 1942." Any of these works may be obtained on application to The Financial Post, Toronto.

Standard Profits and the Board of Referees

By MOLYNEUX L. GORDON

In order to calculate standard profits you take the profits of the years 1936 to 1939 inclusive and divide by four. If the profits of any year are less than 50% of the average profits for the remaining years you may eliminate that year and divide by three.

Under the combined effect of the Income War Tax Act and the Excess Profits Tax Act, 1940, most incorporated companies pay in tax either (a) 40% of their profits or (b) 30% of their profits plus 100% of the amount earned in excess of their standard profits. The government has the right to choose the method which produces the most tax and consequently if a company earns less than 116-2/3% of its standard profits it pays on the first basis; if more, on the second basis.

The calculation is simple. If a company earns $10,000 during the standard period and earned $11,666.66 during the year 1942 the 40% tax amounts to $4,666.66. Under the alternative method the 30% tax amounts to $3,499.99 to which must be added the whole of the surplus of $1,666.66 or a total of $4,666.65. In other words, a 100% tax is imposed if the company earns a sum in excess of 116-2/3% of its standard profits.

Special Provisions

The Act contains special provisions covering:

(a) taxpayers who were not carrying on business during the standard period.
(b) companies which increased or decreased their capital, and
(c) depressed businesses which failed to make reasonable profits during the standard period.

A Board of Referees was appointed to deal with such cases but this board has nothing to do with such taxpayers who (a) were carrying on business during the standard period and were successful in earning reasonable profits and (b) taxpayers who earned less than $5,000 per annum before providing for salaries, interest, etc., payable to persons financially interested in the business. Such taxpayers do not go before the board.

Depressed Businesses

First, let us consider those taxpayers who did not show a fair return during the years 1936 to 1939 because they were depressed. A taxpayer in this position may estimate his own standard profits provided the amount does not exceed 10% of the capital employed, file his return and pay a tax based on his own estimate. The returns are checked and if the minister is not satisfied he may refer the matter to the board, but if he considers the claim frivolous or unreasonable and refuses to refer the same, the taxpayer has no redress and his standard profits will be based on actual earnings during the standard period.

If a matter is referred to the board, that tribunal must first determine whether the business is depressed. The business may be depressed because of general conditions existing throughout the whole country, or because of certain circumstances peculiar to the case of the particular taxpayer. The taxpayer is entitled to appear before the Board either personally or to be represented by his lawyer or accountant.

Study Whole Industries

The board endeavors to correct any temporary disability which may be applicable to a whole industry, such as loss of crop, failure to obtain supplies through embargoes, low prices due to world conditions, and also any special disability which may only apply to the particular taxpayer, such as losses caused through fires, strikes, embargoes, difficulties of transportation, the bankruptcy of an important debtor, etc.

In dealing with this subject on Feb. 28, Mr. Justice Harrison stated that the grain growers of Canada claimed they were depressed because of drought, hail, frost, army worm, sawfly and caterpillars, that when they did have a crop there was no market for it and when there was a market there were no crops; and that the ranchmen said they had exactly the same troubles and more besides.

The board does not give relief if the reduction in earning power is permanent; for instance, a grocer in a small town might lose part of his business if one or more chain stores invaded his territory.

How Relief Is Granted

If the board comes to the conclusion that either the particular industry or the individual taxpayer is entitled to relief, it is authorized to determine the amount of capital employed and to fix standard profits at not less than 5% and not more than 10% of the amount of capital invested.

The board will not fix the standard profits at a sum equivalent to the amount earned through the boom years of 1928 and 1929. It will examine the earnings of the company over a long period, compare it with other similar concerns, and determine what the business should have earned during the standard period, taking into consideration such matters as changes in salaries, interest charges, etc., which might affect earning capacity. In most cases if a business is not earning 5% this is prima-facie evidence it is depressed. But if a business never earned 5% on its capital, the taxpayer cannot expect the board to fix the standard profits at 5% because this would not be within the spirit of the Act.

We Have Been Asked . . .

The Financial Post will provide subscribers as quickly as possible the answers to specific questions about business, taxation, investments, wartime regulations and other subjects. The Post cannot undertake to make predictions, will not express opinions on matters involving individual business judgment or on conditions or investments outside Canada. All communications should be addressed to Business Enquiry Editor, The Financial Post, 481 University Ave. A three-cent stamp and address label from subscriber's copy of The Financial Post must be enclosed.

Stocks

Eastern Dairies

I would be grateful for any information you have on the earning equities behind Eastern Dairies preferred and common shares, as well as the bonds. I have a small interest in each class of security.

The financial statement of Eastern Dairies for the year ended March 31, 1942, showed an equity of $1,364 back of each $1,000 par value bond, and $35.39 back of each $100 share of preferred stock. There was no equity behind the common. In that year the company earned bond interest 3.46 times before depreciation and 1.63 times after depreciation. Earnings on the preferred stock amounted to $1.64 a share, while there was a deficit of $2.03 a share on the common stock. Interest payments have been met regularly, but the preferred stock is in arrears since April 15, 1933. While this is not a particularly impressive showing, nevertheless the company has been able to record a moderate improvement in its position. For instance, earnings on the preferred stock last year were the highest in the last seven years, during five of which the company reported a loss. It is understood that a reorganization plan is under study. Presumably it will clear up the situation in respect to arrears of dividends on the preferred.

Can. For. Investment

It would be appreciated if you would let me have a report on the position of Canadian Foreign Investment Corp.

Canadian Foreign Investment Corp., which controls the Brazilian Portland Cement Co., has a well-established record of earnings, with the dividend on the preferred being earned several times over. For example, in 1941 the company earned $30.62 a share on the preferred as against dividend requirements of $8 a share.

Earnings on the common stock have averaged about $2 a share in the last three years, while the dividend paid has increased to $1.90 a share in 1941. The rate of payment on the common is somewhat variable, the last distribution being $1.30 a share on Nov. 1, 1942, as compared with 70 cents a share paid on May 1, 1942. The financial position of the company has steadily undergone an improvement and considerable progress has been made in retiring the preferred, of which only $200,000 remains outstanding as contrasted with an original issue of $2 millions.

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Income Tax

Is Paid in U. S.

I am an American citizen working for a firm in Baltimore, Md. My family live in Baltimore and my monthly pay check is mailed to my wife there. My work keeps me in Canada the biggest part of the year. Where am I supposed to pay income tax? For years I have paid to the U. S. Government, but now I am under the impression I have to pay in Canada also. My yearly income is around $2,500. I can't afford to pay in both countries.

You are considered subject to tax in Canada as you are resident here such a large part of the year and earn your income here although it is paid in Baltimore. You will be liable for income tax in the United States too but should be able to deduct from your U. S. Tax the amount of tax paid in Canada.

Farmers' Allowances

I am a farmer.

1. Am I allowed to deduct from income for tax purposes expenses such as cost of overalls, mitts, gloves, etc., used in everyday work and cost of a bicycle and its upkeep? I use the bicycle for going to town to get repair work done, etc.

2. Am I allowed deductions on the value of seed grain grown on my farm which I sowed last spring? If I sold this grain on the market it would be regarded as taxable income.

3. I have a gravel pit on my farm. Gravel sold is reported as taxable income. The gravel pit is a wasting asset. What deductions if any may I make from my income on this account?

1. No deduction for expenses you mention is allowed.

2. No deduction is allowed for seed grain grown on your own farm.

3. You have a right to some allowance for depletion of your gravel pit as a wasting asset. We understand the method of computation is to take the cost of the gravel pit as part of your farm, estimate the number of cubic yards of gravel and cost per yard, then deduct this from selling price. What is left is profit or taxable income. But you will be well advised to take up the whole matter with income tax authorities in your district.

Ontario Hydro Load Up Again

January Rise Moderate But Niagara Up 47,000 H.P.

Hydro-Electric Power Commission of Ontario reports further moderate gains in peak load in Jan., 1943, compared with the same month in 1942. The Niagara system continues to lead with a rise in peak primary power demand of 2.9% in January and 2.7% in combined primary and secondary peak load. With the exception of primary peak load for the northern Ontario properties, all other systems showed decreases in January.

Last year, Ontario Hydro's total energy output was 11.5% above any previous record, reaching a total of 11,675 million kw. hrs.

	Max. 20-Min. Peak H.P. Jan. 1943	Jan. 1942	% Incr.
Primary Loads:			
Niagara System	1,701,743	1,654,558	2.9
Eastern Ontario	179,827	180,976	—.6
Georgian Bay ..	47,131	47,500	—.8
Thunder Bay ..	106,702	107,480	—.7
Northern Ont. .	213,208	206,576	3.2
Total all systems	2,248,611	2,197,090	2.3
Primary and Secondary Loads:			
Niagara System	1,760,590	1,714,611	2.7
Eastern Ontario	179,827	180,976	—.6
Georgian Bay .	47,131	47,500	—.8
Thunder Bay ..	117,962	134,209	—12.1
Northern Ont. .	254,763	272,528	—6.5
Total all systems	2,360,273	2,349,824	0.4

Primary Power Sales Advance

Production of electrical energy in Canada last January was off slightly from returns for Jan., 1942, but over the same period, the consumption of primary powers shows a sharp increase.

During January central electric stations produced 103,800 thousands kw.h., as against 104,796 in December and 104,074 thousand kw.h. in Jan., 1942.

Consumption of primary power last January totalled 93,039 thousand kw.h., compared with 88,921 thousand kw.h. in Jan., 1942.

Six Provinces Gain

Ontario, Prince Edward Island, and New Brunswick, are the only three provinces to report a decline in firm power consumption.

Primary Power Consumption
(Thousands of kilowatt hours)

	January 1943	January 1942
Prince Ed. Island	948	961
Nova Scotia	47,168	45,478
New Brunswick	23,830	44,298
Quebec	1,357,968	1,230,001
Ontario	1,016,691	1,019,649
Manitoba	107,491	101,355
Saskatchewan	63,582	56,503
Alberta	46,444	38,479
British Columbia	220,102	218,832
Total	2,884,224	2,756,556

New Wartime Regulations

Post Summary of Latest Ottawa Rulings

FERTILIZERS. W.P.T.B. order A-601, Feb. 23, sets maximum prices for fertilizers in Ontario, Quebec, New Brunswick, Nova Scotia and Prince Edward Island. Adm. of Fertilizers and Pesticides, G. S. Peart.

* * *

DRESSING GOWNS. W.P.T.B. order A-606, Feb. 23, sets certain specifications in the manufacture of men's and boys' dressing gowns. Adm. of Men's and Boys' Furnishings, J. D. C. Forsyth.

* * *

BOTTLES and JARS. W.P.T.B. order A-623, Feb. 23, sets maximum prices for bottles and jars which are to be resold as containers of food, and provides methods of washing to be followed before a bottle may be sold under the scale for washed bottles. Adm. of Used Goods, S. Godfrey.

* * *

PHARMACEUTICAL BOTTLES. W.P.T.B. order A-624, Feb. 23, sets maximum prices for used pharmaceutical, toilet goods and medicine bottles, and also standards of washing to apply when the bottles are re-sold as washed. Adm. of Used Goods, S. Godfrey.

* * *

BEET MOLASSES. W.P.T.B. order A-622, Feb. 23, sets maximum prices for and certain restrictions on the sale of beet molasses for agricultural purposes. Feeds Adm., F. W. Presant.

* * *

MILK IN VANCOUVER. W.P.T.B. order 238, Feb. 23, sets prices for milk sold in Vancouver, British Columbia. Chm., Donald Gordon.

* * *

USED BARRELS. W.P.T.B. order A-604, Feb. 25, sets maximum prices for and certain restrictions on the sale of used barrels, cans, drums and pails, etc. Adm. of Used Goods, S. Godfrey.

* * *

METAL FURNITURE. W.P.T.B. order A-614, Feb. 25, restricts the use of metal in the manufacture of metal and upholstered furniture, bedding, and parts. Adm. of Bedding, Metal Furniture and Upholstered Furniture, A. C. Guthrie.

* * *

CORK SUPPLIES: M. & S. order S-2, Feb. 25, requires that authorized dealers in cork make regular statements of their supply, that application for purchase of cork from such dealers must be made in writing, and that no manufacturer of linoleum may use more than 1/12 of the amount of cork used in 1940. Deputy Controller of Supplies, J. H. Lamprey.

* * *

PULVERIZERS. M. & S. order S. C. 24, Feb. 25, freezes purchase of of all types of forged iron or steel balls used in grinding or pulverizing, except by permission of the controller, and requires that producers must make regular statements regarding their stock. Associate Steel Controller, M. A. Hoey.

* * *

POTATOES. W.P.T.B. order 236, Feb. 27, sets retail, wholesale and producer prices for potatoes in Canadian areas. Chm., Donald Gordon.

* * *

NEWSPRINT. W.P.T.B. order A-628, Feb. 27, sets maximum price of newsprint at not more than $4 per ton higher than the price in effect during the basic period, Sept 15 to Oct. 11, 1941. Newsprint Adm., R. L. Weldon.

* * *

TIRE CHAINS. M. & S. order M.V.C. 21A-2, amends a previous order to permit tire chains to be sold without the surrender by the purchaser of like number of used chains, provided all purchases are signed for. Motor Vehicle Controller, J. H. Berry.

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War Contracts Solve Car Problem

Toronto Studebaker Dealer Sets Pattern for U. S. Organization

Studebaker dealers throughout the United States are being told how a car selling agency in Canada, by establishing a machine shop, overcame the problems it faced because of the war.

The agency is that of O'Donnell-Mackie Ltd., in Toronto. With a staff of 65, and a large sales and service plant, A. D. O'Donnell and W. A. D. Mackie realized, when restrictions on automobiles began to pinch, that they would either have to reduce personnel and move into small quarters or branch into some line which would enable them to carry their existing organization.

Studebaker Corp. now has in full swing across the border a campaign to get its dealers into war production—this for the double-barrelled purpose of keeping their organizations together and of contributing to victory along the lines pioneered by the Toronto firm.

O'Donnell-Mackie studied prospects, decided on a machine shop capable of working to very close tolerances. They found they could get no war orders until they were ready to operate, but took a chance on orders coming later and went ahead with a large investment on lathes, drills and other equipment.

At the same time they engaged Herman Jensen, highly skilled Danish mechanic, as shop superintendent. In the spring of 1941 they got their first contract—for small parts for aircraft. They have since had difficulty handling all the business available.

60 Machinists

The machine shop is on the second floor of the O'Donnell-Mackie establishment, taking up space formerly used for car repairs. Part of the space on the ground floor, formerly used for sales, now serves as the repair department. The shop now has 60 employees, some skilled, some semi-skilled. They work an average of 60 hours a week.

Men's and women's washrooms have been installed on the same floor as the machine shop, as has a lunch room in which the workers are served hot coffee at mid-shift.

"Bits and pieces" are now the biggest end of the O'Donnell-Mackie business, and while there are still 23 employees in the automobile end of the organization, almost half of them devote part of their time to the machine shop.

This produces, among other things, parts for aircraft, parts for the optical department of Research Industries Ltd., automatic saw sharpeners for the Canadian Army Forestry Corps and for woods operations in Canada, parts for equipment used in war experiments at the University of Toronto, and even, on occasion, machine gun sights. A good deal of the work is done to tolerances of 2/10,000 of an inch.

Postwar Prospects

Mr. O'Donnell is confident that after the war the machine shop will find "bits and pieces" to turn out for civilian industries, even as it is now turning them out for war industries.

Recently Paul Hoffman, president of Studebaker Corp. of America, visited Canada to see what was being done by O'Donnell-Mackie. He was so impressed that he is having literature about the firm's war work distributed to Studebaker sales agencies throughout the United States.

A booklet has been issued giving the case histories of 24 dealers who have taken on war orders and are filling them successfully.

Here are a couple of cases, as given by the booklet.

CASE 20

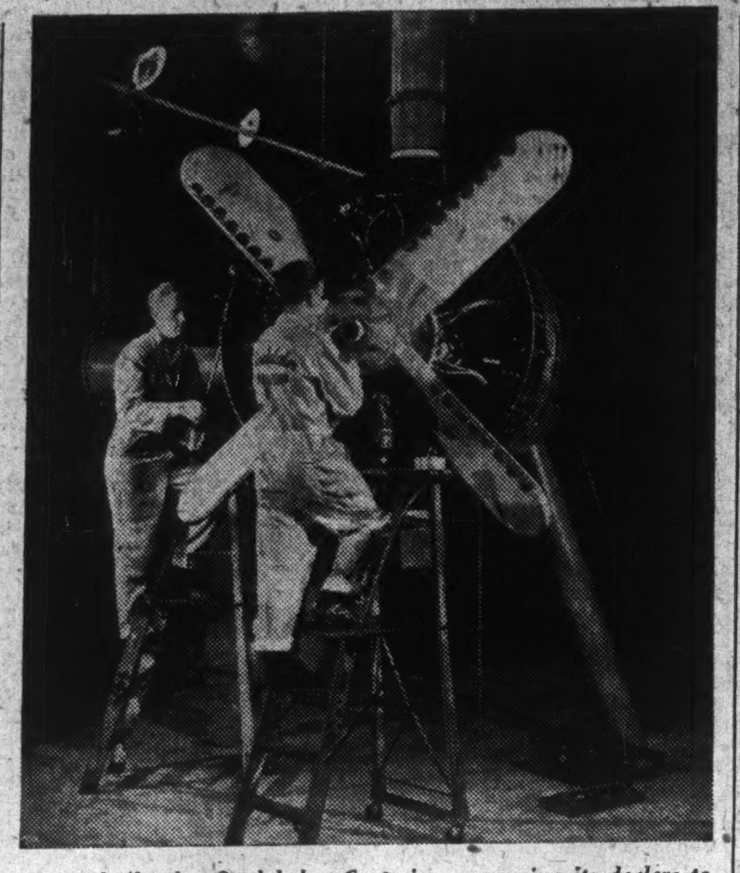
Location—One of the important defense areas of the Middle West. This metropolitan dealer sold 77 new cars in 1941. Project.—Machining parts for 90 mm. anti-aircraft guns. A $40,500 contract. Closest tolerance, .005. Equipment—2 tool room lathes, 1 milling machine, 2 drill presses, 1 power hack saw. Total investment, $8,000. The machine shop is in a separate building from the dealer's automobile business.

Personnel—Dealer had no mechanical or machine shop experience but formed a partnership with a qualified technical man to handle war production work. Six employees are working in the machine shop. Three of these are machinists. How contract was obtained—When dealer first became interested in war work, he had little success getting a contract. Dealer's production manager secured present contract through his former association with an engineering company. This company assisted materially in setting up the shop for production. Comments — Operation is producing satisfactory profits and will doubtlessly continue through the duration.

CASE FOUR

Location—One of the large East Coast cities. Dealer retailed 736 new cars in 1941. Project—First contract was for machining 300 small airplane parts at a labor price of six cents per piece. Upon completion of this contract, an order was received from the same firm for machining 6,000 parts. Dealer has been assured that additional contracts will be awarded to him by this firm. Equipment—2 engine lathes, 1 drill press, 1 production miller. Total investment in machine tools is $2,000.

Personnel—Production operations are supervised by dealer's service manager. Two men are employed. However, among present employees, several have had machine shop experience and others are being trained at technical school. How contract was obtained—Contract was obtained through direct solicitation of manufacturers after contacts with WPB office in dealer's city. Dealer did not attempt to secure a large contract but started with a small order. Comments — This dealer is now established in war production work and is in a position to increase the size of his manufacturing operations. It is his opinion that all dealers should, when conditions warrant, check the possibility of converting part of their facilities to war work.



Across the border, Studebaker Corp. is encouraging its dealers to establish machine shops, take on war contracts, along the lines followed successfully by one of its Canadian agencies, O'Donnell-Mackie Ltd., Toronto. Meanwhile the parent company is practising what it preaches, as this picture shows.

Manitoba's New Budget Forecasts Revenue Drop

Province Won't Expand Permanent Expenditures on Basis of Wartime Receipts; Sells $1.5 Million Refunding Bond Issue

Manitoba is budgeting for a surplus of $846,806 for the fiscal year ending Apr. 30, 1944, or about half the estimated surplus for the 1942-43 year now ending.

Premier Stuart S. Garson has presented to the legislature the following comparison of estimated revenues and expenditures for the two years:

Est. Revenue & Expenditure
Fiscal Years Ended Apr. 30

	1944	1943
Revenue	$18,784,352	$19,397,414
Expenditure	17,935,556	17,829,313
Est. surplus	846,806	1,586,101

Revenue for 1942-43 has been forecast at a little over $18 millions. The revised estimate gives recognition to liquor revenues of $3¼ millions as compared with the first estimate of $2 millions for this item.

For the 1943-44 fiscal year the total of ordinary departmental expenditures, including cost of living bonus and additional cost of old age and blind pensions, are $10.7 millions against $10.5 millions for the current fiscal year.

Public debt and sundry related and fixed charges are up $85,000 to $6.2 millions. Provincial share of relief is cut to $227,460 from $442,500. Last year's provision of $750,000 as reserve for war and postwar emergency is repeated in the current budget.

License Fees Down

On revenue account a decline in motor license fees has already begun and this item for 1943-44 is expected to provide some $700,000 compared with $900,000 in 1942-43. Due to Dominion restrictions a decline in liquor profits is about to occur. The Dominion's guarantee of liquor revenues at the figure for the year ended June 30, 1942, will mean some loss to Manitoba. On the point Premier Garson observed:

"Since our liquor revenues will be fixed and our automobile license fees continuously decline, and since the two together form a large part of our variable revenues, we face the probability of our variable revenues steadily, although we hope slowly, declining for the duration of the war."

Control Expenditures

Mr. Garson noted that there are some who say that upon the basis of the province's wartime surpluses Manitoba should still further heavily increase its expenditures for certain purposes such as old age and blind pensions. The premier stated that the surpluses are based in substantial measure upon wartime revenue windfalls.

It would be most imprudent, he said, for the province to incur a too heavy permanent increase of expenditure upon the basis of a temporary wartime increase in revenue.

He reported that since 1941 the province has already increased its permanent expenditures by over $1 million without any assurance of an offsetting increase in permanent revenue, and that this was going "to the limits of prudence."

Manitoba's economy is still basically an export economy which must sell its products in a highly competitive export market, Mr. Garson declared. Because of this the government is anxious to keep commitments for permanent increases in expenditure to a minimum until a clearer picture is available of the postwar world.

Interest Rate Better

The premier noted that between May 1, 1940, and Dec. 31, 1942, the province's gross debt was reduced by over $7 millions. During the same period Manitoba's credit position as reflected in the yield of its bonds materially improved, from over 5% on long-term issues to the present level of 3.40% to 4%.

With this improvement in yield basis the province has decided to market a new issue of $1.5 million 3½% refunding debentures to mature $100,000 yearly from 1944 to 1958. Interest cost on this transaction was 3.69%. This compares with an overall interest cost of the last Quebec issue of 3.64% and 3.68% for the last New Brunswick issue. This will be the first Manitoba issue sold on the open market since 1935.

In 1943 the province has to meet maturities of $5.1 millions and in 1944 over $6.6 millions. Through marketing the new issue the province has been placed in a cash position on capital account to meet all of its debt maturities in 1943 without having to borrow further for that purpose.

Social Service Problem

Mr. Garson declared that the whole trend of governmental expenditure in Manitoba, as in other parts of the world, is in the direction of providing a higher minimum standard of social services and security for the under-privileged at the expense of the state. The problem is to determine as accurately as possible how heavy a load can be carried, and how best this maximum burden can be distributed. He said that the best distribution cannot be obtained without imposing a much larger share of the social service burden upon the Federal tax base than is carried by that base at the present time. The most authoritative suggestion put forth as to how this can be brought about is that recommended by the Sirois Commission, said Mr. Garson.

Recommends Sirois Report

He stated that consideration of the Sirois report should have first place in any agenda of postwar planning in this country, and concluded:

"If, therefore, the hopes which Canadians have been encouraged to entertain concerning social security in the postwar period are to be realized, an essential condition precedent would seem to be to carry into effect the Sirois report or its substance in the form of some acceptable alternative. An acceptable alternative to the Sirois solution is something which no one has yet devised, and least of all the critics of the Sirois report itself."

Personnel Problems

Adapting For Women Workers

Breaking Down the Job is the Major Change

Problems involved in replacing men in industry with women are less severe than is generally imagined, a survey by The Financial Post reveals.

"A little common sense," is the chief solution most employee relations experts offer to a plant manager about to "let the girls in."

The chief factor in remodelling factory schedules for women workers is that of strength. Jobs must be split up and simplified into fewer and lighter movements.

"Not Too Old"

At one Canadian factory, Massey-Harris Co.'s aircraft works, married women have been found more satisfactory in the main, than girls, according to E. Martin, employment manager.

"But the best workers are not too old," Mr. Martin points out. Those between 20 and 30 are more flexible in character, less fixed in outlook. They can adapt themselves to the new, and at first strange, routines of a factory more easily.

Temperament, at first feared as women crossed the threshold into an environment which had previously been strictly masculine, has been largely discounted as a factor in dealing with women workers.

At Massey-Harris, which employs a large number of women, one of the most successful personnel systems for women workers has been worked out under Miss Merle Foster, personnel associate at the plant. One woman is kept on duty during each shift, so that there are four personnel advisors, including Miss Foster. There are two spare supervisors, and one girl "housekeeper," or helper. The duties of the housekeeper vary, but consist largely of keeping washrooms tidy and looking after the cots which are kept ready in case any employees should be kept late at the plant due to weather or a backlog of work.

"There is always a supervisor on hand, even if there are only six girls working," Miss Foster says.

"Occasionally we have to ask a girl to 'deglamorize' herself a little, but not often. We explain to her as nicely as we can that we think she should. Usually the girls understand."

Adopted by Government

The system of supervisors has proved so successful that it has been recommended by Ralph Bell, director-general of aircraft production, for factories throughout Canada, and personnel courses, with the plan as their base, have been set up in Vancouver, Toronto and Montreal.

In many cases women are found to give less trouble than men, and do not object to working under either men or women foremen, provided these are capable themselves.

But women workers cannot be driven. They will prove better employees if they are asked, not told, what to do. Good personnel managers and overseers at the outset are considered vital to the success of any plant taking on women for the first time.

As workers women are often more dextrous than men. Their hands are smaller, and adapted to fine, quick work.

While married women have a higher sense of responsibility, and are often more resourceful than unmarried employees, they are more independent, feeling that economically they do not need to work. They may also be occasionally worried by their family, which proves a delaying factor in output.

They have more skill and application in a specific job, but may come down to work less regularly than single girls.

Absenteeism is a further problem with women workers. About 8% a day not reporting has been found the average figure in a plant employing approximately 3,000 women.

"They must first be taught to be workmen," one personnel advisor in a large plant states. They adjust quickly, however, often more readily than a man would who was previously an office worker, and once accustomed to their new surroundings and sure of what they are expected to do are keen since they realize they are "learning something" and consider it a new field for women.

More pleasant surroundings are not necessary, it has been found. Girls in war work, at least at present, take pleasure in thinking that they can "take it" as well as the next man. However, in some cases girls have wished to brighten up their own environment, and despite occasional protests from hardened foremen it has proved better for production to allow a little leeway.

"They don't expect better treatment than the men," one personnel manager advises, "but give it to them and it pays dividends in amount of work done."

The problem of girls and young men who are working side by side paying more attention to each other than to the job in hand has proved no more severe than in the average office. Girls make excellent "helpers" it is stated, for they co-operate well and are quick to grasp what another person wants.

Women employed as overseers over a large group of girls should be older, it is stressed, and possess some talent in leadership. They should be the type who can inspire respect in those under them, and who, in the case of trouble, are quick to settle it. They must know how to handle a girl who gets out of place.

But most of the problems can be met as they appear, say those who have tried female employees in their plants and found them successful. The decisive factor is that they want to work.

Weekly Record of Financing in Canada

SALES BY MUNICIPALITIES, PROVINCIAL AND DOMINION GOVERNMENTS

	Date Issued	—Sold to—	Rate	Due	Amount	Price	Yield
Municipal—							
Parish of St. Antoine de Longueuil, P.Q.	Feb.	Credit Interprovincial	3½%	1944-63	$24,000	97.55	......
Hamilton, Ont.	Mar.	Bank of Montreal	2¼%	1944-48	357,879	100.721	......
Dominion—							
Canada Treasury Bills	Feb.		....	May 28 '43	$55,000,000	99.875	.501%
Canada Deposit Certificates	Feb.	Chartered Banks	¾%	Aug. 24 '43	90,000,000	100	....
Canada Deposit Certificates	Mar.	Chartered Banks	¾%	Aug. 31 '43	120,000,000	100	.....
Canada Deposit Certificates	Mar.	Chartered Banks	¾%	Sept. 7 '43	90,000,000	100	......
Provincial—							
Nova Scotia	Mar.	Bank of Montreal and Syndicate	3¼%	14-yr.	$2,200,000	100.14	3.2375%

OFFERINGS OF CORPORATIONS AND FOREIGN SECURITIES

Bond Issues—	Date Issued	Offered by	Rate	Due	Amount	Price	Yield
Imperial Tobacco of Canada	Mar.	A. E. Ames & Co. & Dominion Securities	3¼%	1952	$2,000,000		
			3¼%	1953	2,000,000		
			3⅜%	1954	2,000,000	*100	.....
			3⅜%	1955	2,000,000		
			3½%	1956	2,000,000		
Economic Investment Trust	Mar.	Cochrane, Murray & Co.	4%	1958	1,000,000	*100	4%
Les Syndics de la Paroisse la Sainte-Famille de Granby, P.Q.	Feb.	Rene T. Leclerc	3%	1944-48	20,200	*100	.....
			3½%	1949-63	208,300		

*Offering price.

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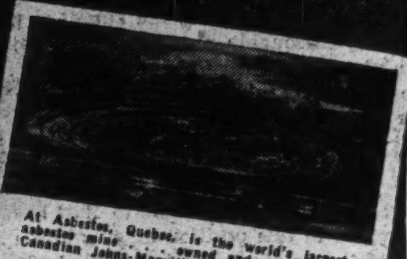
At Asbestos, Quebec, is the world's largest asbestos mine, owned and operated by Canadian Johns-Manville.

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THESE ARE THE SHAPES OF VICTORY

THIS is truly a global war. The pattern of coming Victory must be looked for in other places than the slit trench, the bomb-raining sky and the ocean lifelines.

Yes, the form of the Victory we must have is also to be seen in the presses, planers, shapers, lathes and drills of our great machine plants.

Here at Waterloo, we're proud that our large production is playing its part along with our soldiers, sailors and airmen in building toward the day when the world again will be at peace.

Marine engines, tank steering assemblies, shell lathes, gun-mount parts, aircraft and tank parts bearing the stamp of Waterloo craftsmanship are helping to make things tough for the Axis.

Some of our capacity is now available for precision work on other manufactured products. If you have a production problem involving castings, machining, sheet metal, woodworking and assembling, we will be glad to discuss it with you. Perhaps we can help.

THE WATERLOO MANUFACTURING COMPANY LIMITED
WATERLOO • ONTARIO

Equipped for efficient, high-speed, modern production with 12 Planers, 22 Shapers, 9 Vertical Milling Machines, 4 Horizontal Milling Machines, 1 Horizontal Boring Mill, 2 Vertical Boring Mills, 29 Engine Lathes, 3 Turret Lathes, Radial Drills, Grinders, etc.

THE FINANCIAL POST
Canada's Foremost Business Newspaper
Toronto. March 13, 1943

Life Insurance Fights on Two Fronts

The Shooting Front:

Life insurance companies have invested $450 millions in Canada's war loans since war broke out, are now investing almost 100% of new funds in government securities.

Life insurance agents have been active in all Canada's loan campaigns, sold approximately $55 millions of Third Victory Bonds.

Between them, life companies and agents accounted for one dollar out of every five raised in the Third Victory Loan campaign.

The Home Front:

A working system of social security, life insurance payments total $400,000 a day — $100 millions a year to living policyholders, $50 millions to beneficiaries.

Potent factor in wartime morale, life insurance provides security to 4 million policyholders in Canada.

Life insurance investments other than war loans total some $2 billions, almost three times the government expenditure in new war plant.

How Life Insurance Meets The Wartime Challenge

By DONALD G. MACLEAN

In the picture of Canada's war effort, the wartime service of life insurance stands out in bold relief.

Normally it is recognized as a mighty bastion of defense for the home and family and a partner in the nation's business, providing funds for development and enterprise. The last three and a half years have shown it also to be a powerful spearhead of the nation's fighting forces.

Life insurance combines the functions of defense of the home with attack on the enemy. It is a vital force on both fronts.

Mobilizes Dollars

On the fighting front, life insurance mobilizes dollars to finance the war effort. This it does by collecting the savings of Canadians in the form of premiums, channelling them to a great central pool where they are used to buy war and Victory bonds. In 1942, the last year for which figures are available, premiums collected in Canada were about $220 millions. During the year life insurance company purchases of Victory bonds totalled over $294 millions, substantially more than the premium income. The balance came from previously acquired funds such as accumulated interest and dividends from premiums previously collected and invested, from older investments which had matured.

In the third Victory Loan alone, the companies bought more than $155 millions of bonds.

This money was lent to the government at a minimum expense and trouble to the borrower, and has by now been transformed into guns and shells, tanks and trucks, warships and airplanes.

With insurance investments in war bonds since the beginning of the war reaching over $450 millions, it is estimated that each of Canada's four million policyholders through his life insurance has an investment of $112 in the government war loans.

In the aggregate Canadian life insurance has paid for the equivalent of almost 800 corvettes, 2,250 bombers, or 2.3 million Bren guns.

Fights Inflation

Second only to its role as a purchaser of direct war material is the battle of insurance against inflation. In the three and one-half years since war began it has siphoned off approximately $750 millions of the people's income which otherwise would have been spent for goods and services in competition with the government, tending to inflate prices.

War has produced scores of forces tending to increase the spendable income of the public. So far, it has produced only two methods for keeping those forces in leash—taxes and thrift. And on the thrift front, the most potent appeal, one deeply rooted in the peacetime lives of Canadians and hence most easily adapted to war, has been the appeal of life insurance.

In the face of rising living costs, higher taxes and the wartime propensity toward greater spending, life insurance has been able to drain off a gradually increasing amount of the national income into a channel that effectively neutralizes these sums from an inflation point of view.

To the money that life insurance diverts directly toward the war and away from inflationary spending, must be added the sums that life insurance agents have contributed by selling Victory bonds and war savings certificates.

Right from the start, the life insurance companies and their agency forces offered their facilities to the government in the campaigns, first to sell war savings certificates (they were almost the sole selling agency when certificates appeared in May, 1940) then to sell war and Victory bonds.

In the third Victory Loan campaign, it is estimated that approximately 2,052 agents and salaried employees took part in selling the Victory bonds. Of these 310 served without pay. Through their efforts $55 millions of bonds were sold. This combined with subscriptions of $155 millions by the companies, made the life insurance business generally responsible for $210 millions of bonds or more than one dollar in every five subscribed.

Provides Security

On the home front, life insurance helps the war effort by providing security for the family and home. Each year approximately $50 millions is paid out to beneficiaries in death claims and $100 millions to living policyholders.

This money goes to maintain people who, through being deprived of their provider or through old age or disability have become unable to provide for themselves. Otherwise they would probably become a charge on the public. Thus life insurance relieves the government of much expense and trouble at a time when such assistance is vital.

Bolsters Morale

Life insurance bolsters public morale. By giving assurance to policyholders, civilians and service men alike of their financial future and that of their dependents, it relieves them of much worry and anxiety, and enables them to give their full effort to the war. The security offered by life insurance is real security allowing no grounds for apprehension that the companies will not honor their obligations. So good has been the record that it has become a truism to say that no policyholder has ever suffered a loss through failure of a Canadian life insurance company to honor its contracts.

It also bolsters morale by providing funds on which the individual can draw in peacetime for his personal and business needs. Over $350 millions of insurance money, it is estimated, is invested in mortgages, has enabled Canadians to buy homes or farms. Thousands of Canadian farms and rural and urban homes have been built or bought with money borrowed from the life insurance companies.

Through policy loans, life insurance makes available funds needed by policyholders for essential purposes. In the depression many Canadians with no other resources were able to borrow on their insurance when needing money in an emergency.

In the larger fields of business and industry, insurance is a major factor in financing construction of plants and factories. Policyholders thus provide work for themselves and their families.

It also helps morale by its contributions to the cause of good health. The encouragement of good health is a subject in which the life companies are very much interested.

They have for many years past, individually, and as a group, contributed financial aid to further new methods of instruction and education on diet and nutrition. In recent years millions of booklets on health and nutrition have been distributed among the public.

Looking to the postwar period it is felt this is a department in which there will be considerable room for further expansion of company operations when peace returns.

Democracy at Work

But giant as is its role in the economics of war and peace, the most significant fact about life insurance is its part as a test tube of democracy. Every year $220 millions of premiums are paid in by four million policyholders. These millions of dollars come from voluntary savings by the small wage earner who may be able to afford only 25 cents a week, or by young clerks at the rate of $30 a year to the larger premiums of the top-flight executive who may be able to pay premiums of thousands of dollars. These premium dollars all meet on an equality in the central reservoir where they are mobilized to fight for Canadian homes and freedom or to build Canadian industry. Thus all classes of people are linked together as partners in this great example of customer ownership.

These dollars, invested almost 100% in war loans in wartime, in normal years go to build power plants and factories, to finance government building of roads and bridges, municipal waterworks systems, to help the home builder and farmer. Through his life insurance premiums, every one of the four million policyholders has a stake in the country. Through the investment of more than $1 billion in bonds, debentures and stocks of industrial companies life insurance policyholders are partners in more than 9,000 industrial and business undertakings.

Every policyholder becomes a partner in the nation's business; also becomes vitally interested in the stability of government and the maintenance of that stability.

Wartime Investment Policy Lowers Interest Returns

Canada's four million life insurance policyholders are joint owners of approximately $2.5 billions of investments held by the life insurance companies.

The revenue from these investments plus premiums received, forms the fund from which the companies meet their obligations for death claims, endowments and other payments to policyholders. It helps pay the cost of insurance.

Any factor affecting this investment income of the companies affects the cost of insurance and is therefore of vital interest to every policyholder.

Trend Downward

In their reports to The Financial Post on their experience in 1942, most of the companies doing business in Canada report a lower per cent return on their invested assets than in 1941.

This continues the trend shown for some years which has resulted in a decline in the interest rate in the last 10 years of approximately 1½ to 2%.

On investments of nearly $3 billions this means a decline in revenues of $45 millions to $60 millions a year which must be made up elsewhere. Higher premiums through increased quoted rates or reduced policy dividends are the main solution.

For some years back the companies have gradually been adjusting their premiums and policy dividends to declining interest rates. At the beginning of 1943 a number of companies made further adjustments of this kind.

The move was not general because differences in investment policy mean a difference in the time when the lower interest rates affect earnings. For instance a company with a great many long term investments is not affected so quickly by changes in the interest rate as one with short term investments.

Dominion Bonds

Powerful factor in the declining trend of interest rates in the last three years has been the increased proportion of investments in low-interest Dominion Government loans.

The companies have increased their investments in Victory bonds to such an extent that almost 100% of their new money as well as much of their funds from other sources is going into Dominion Government issues. This is part of the war service the companies and their policyholders are giving. But it may mean a higher cost of insurance.

Channels Narrow

Apart from the factor of national duty, however, it would appear that some increased investment in governments was inevitable. Over the last few years, offerings of new issues of bonds by the Canadian provinces and municipalities and industrial corporations have been declining. Decline in the volume of building has meant a smaller demand for mortgage money. With assets steadily increasing, there have not been the same opportunities for other investments suitable for life insurance companies.

Investment Regulations

Company policyholder funds are regarded as held in trust for the policyholders and hence subject to strict government regulations. Under the Dominion laws life insurance companies investments are restricted to:

Bonds, debentures, stocks or other securities of the Dominion and provincial governments, British, colonial and foreign governments and municipalities, or securities guaranteed by the public bodies noted.

Certain classes of corporation bonds.

Real estate mortgages up to 60% of the value of the real estate.

Preferred stocks of any corporation which has paid regular dividends upon such stocks or its other preferred stocks, ranking equally therewith or upon its common stocks for not less than five years preceding its purchase.

Stocks of any corporation which are guaranteed by a corporation which has paid regular dividends on its preferred or common stocks for not less than five years preceding purchase, provided the amount of stocks so guaranteed is not over 50% of the amount of the preferred and common stocks of the guaranteeing corporation.

Common Stocks

Common stocks of any corporation on which regular dividends of at least 4% per annum or in the case of stocks of no par value of at least $4 per annum have been paid for the seven years next preceding the date of purchase.

Not more than 30% of the common stocks and not more than 30% of the total issue of the stocks of any corporation shall be purchased by any life insurance company, nor shall any company be permitted to invest in its own shares nor invest its life insurance funds in the shares of any other life insurance company.

Total book value of the common stocks investments of any life insurance company shall not exceed 15% of the book value of the total ledger assets of the company.

Higher Security Lower Yield

Classes of securities that are legal investments are generally high grade and yields on these at the best of times are not large, but yields on corporation bonds and preferred stocks and high grade municipals are usually higher than obtainable on Dominion Government issues.

Mortgage Payments Up

During the past year, a few companies showed higher returns than in the previous year. This appeared to be due to larger, better mortgage repayments. This it is pointed out is revenue that will not recur.

Analysis of the companies' investments at the close of 1942 shows changes in the character of the investments held to be fairly general.

In most cases investments in government bonds including Dominion, provincial and foreign government issues form a substantially higher percentage of the total. This gives a high degree of liquidity to a large part of the assets.

Mortgages on the whole have declined in proportion to the total. Farm mortgages have not been popular in recent years and most companies have tried to reduce their holdings. In some cases, however, mortgages on city properties have increased. Particularly is this the case with company holdings of National Housing Act mortgages on which satisfactory experience is reported. Policy loans have declined steadily as employment and wages rose, making the policyholders able in many cases to repay outstanding loans.

But while investment return has fallen, and the cost of insurance is rising, the trend is not without compensation. Funds placed in Government obligations are in the best and most liquid investment medium possible. While the interest return is low, the tremendous investment of the life companies in war loans has built up a fund which will be of tremendous importance when they are able to resume the normal investment practices of peacetime.

The Growing Strength of Life Insurance

Ever since the first life insurance policy was issued in Canada about a century ago, the institution of life insurance has grown steadily in stature and in importance to the community. In the table below, The Financial Post depicts the development that has taken place since 1901. Note that the total insurance in force is still greater than Canada's net national debt of $6.3 billions, that the insurance in force is now 17 times greater than it was in 1901. In the same period Canada's population has increased 2.1 times, so that the insurance carried by the average Canadian is exactly eight times as great as it was at the opening of the century.

	Insurance in force total $	Insurance per capita $	Insurance effected during year $	Premium income † $	Policy payments $
1901	463,769,034	86	72,854,859	15,189,854	8,458,435
1911	950,220,771	131	373,741,738	31,619,626	16,343,823
1921	2,934,843,848	333	514,654,111	99,015,081	41,327,366
1931	6,622,267,793	638	782,716,004	228,504,912	154,016,106
1936	6,403,037,477	580	618,264,829	209,675,958	154,210,720
1937	6,541,625,046	588	671,957,904	211,222,561	152,903,573
1938	6,630,183,594	591	626,989,339	212,410,793	156,093,512
1939	6,776,262,587	598	588,576,140	211,311,886	167,766,293
1940	6,975,322,460	610	590,205,536	214,132,717	165,354,645
1941	7,348,553,667	643	688,327,658	219,488,533	152,100,805
1942	7,872,891,155	688	818,939,114	230,766,960	*150,000,000

*Estimated. †Including consideration for annuities.

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Sun Life of Canada

Sun Life Assurance Co. of Canada with total assets of over $1 billion is the largest institution of its kind in Canada and ranks among the largest financial concerns of the world. At Dec. 31, 1942, it had business in force of over $3 billions, new insurance written during the year over the entire company amounting to more than $201 millions.

The company was incorporated in 1865 under the name of Sun Insurance Co. of Montreal. The original intention was to carry on a general insurance business. Six years later, however, the name was changed to the Sun Mutual Life Insurance Co. of Montreal, and the first policy was written. The company confined its activities to life and accident business, transacting both lines until 1892. In 1882, the name was changed to the Sun Life Assurance Co. of Canada.

In 1879, it extended its business outside Canada. An agency in the British West Indies was opened in 1880. In 1893 an office was established in London, England, and in 1895, it began business in the United States with an office in Detroit. Before the beginning of the present war, it operated in practically every country of consequence, except Australia and continental Europe.

Of total invested assets, practically 64% is in bonds, 32.5% being in government issues and the balance in municipals and other classes. Farm mortgage holdings are negligible and policy loans have been showing a steady decline. Holdings of preferred and common stocks both declined during 1942.

In its annual statement, the company reported that war claims so far have only been 2.8% of total death claims during the war period. The rate of interest earned on invested assets in 1942 was 3.85%, down slightly from the previous year, in common with general company experience.

Officers—
Arthur B. Wood, F.I.A., F.A.S., pres. and man. dir.; E. A. Macnutt, vice-pres. and treas.; C. S. V. Branch, 2nd vice-pres.; G. W. Bourke, F.I.A., F.A.S., actuary; F. J. Cunningham, F.A.S., sec.; W. S. Penny, director of agencies; H. P. Thornhill, joint treasurer; E. E. Duckworth, comptroller.

Directors—
Representing shareholders: Arthur B. Wood, E. A. Macnutt, Sir Edward W. Beatty, G.B.E., Hon. F. Philippe Brais, Harold Crabtree, Carl Riordon, G. W. Spinney, Morris W. Wilson, all of Montreal; Hon. L. A. Taschereau, Quebec; John A. Tory, Toronto. Representing policyholders: W. M. Birks, Arthur Cross, Hon. Chas. A. Dunning, Ross H. McMaster, John W. Ross, all of Montreal.

Field of Operations—
Canada, 41 states, districts and territories of the U.S.A., Argentine, Bermuda, British Guiana, British Honduras, British West Indies, Ceylon, Cuba, Egypt, Eire, French Guiana, Great Britain and Northern Ireland, Guatemala, Haiti, India, Malta, Netherlands, West Indies, Netherlands Guiana, Newfoundland, Palestine, Porto Rico, Santo Domingo, Southern Rhodesia, Union of South Africa, Virgin Islands.

Capital—Authorized $4,000,000
Subscribed 2,000,000

Growth of Business

Year	Assets ($ 000)	Business in Force ($ 000)	New Ins. Paid for ($ 000)
1912	49,605	183,147	30,914
1917	90,160	313,068	47,811
1922	174,088	633,873	90,798
1927	401,305	1,533,910	342,153
1932	611,436	2,928,952	285,047
1937	831,291	2,896,569	250,054
1938	875,894	2,905,380	193,134
1939	914,767	2,938,478	194,132
1940	950,794	2,963,709	169,509
1941	995,518	2,971,747	187,042
1942	1,046,962	3,043,909	201,238

Analysis of Invested Assets

	1942 %	1941 %	1940 %	1939 %
Bonds:				
Government	32.5	26.6	22.2	19.7
Municipal	4.8	5.4	7.1	7.3
Other	26.4	27.8	25.8	25.0
Total	63.7	59.8	55.1	52.0
Mortgages:				
Farm	0.1	0.1	0.1	0.1
Urban	4.6	4.9	4.7	4.3
Total	4.7	5.0	4.8	4.4
Policy loans	7.5	8.5	9.2	9.5
Stocks:				
(a) Preferred	1.4	1.5	1.6	1.6
(b) Common	18.8	20.8	23.4	25.7
Real estate	2.2	2.4	2.6	2.8
Other	1.7	2.0	3.3	4.0
GRAND TOTAL	100.0	100.0	100.0	100.0

Interest earned on net mean ledger assets as reported to Dominion Department of Insurance: 1942, 3.85%; 1941, 3.98%.

Consideration received from annuities: 1942, $11,726,063; 1941, $12,345,836.

Prudential (England)

Although the Prudential Assurance Co. of London, England, was established in England in 1848 it did not begin writing life insurance in Canada until 1930. Previous to that, however, it had been transacting other lines of insurance such as fire, automobile and casualty in this country.

At the end of 1942 it had total insurance in force in this country amounting to $46.9 millions.

Figures for the total operations of the company in 1942 are not available at time of writing, but at the end of 1941 the total business in force over the entire company amounted to $4,673 millions.

The company's assets in Canada are practically 100% government bonds. It boasts that it has over 11,000 employees of the company at large, on active service.

Head Office—London, Eng.
Head Office in Canada — 465 St. John St., Montreal.

Officers—
Manager for Canada, F. C. Capon; actuary for Canada, Arthur Pedoe; mgr. of life agencies for Canada, A. C. Galbraith.

Growth of Business in Canada (Life)

Year	Assets $	Liabs. in Can. $	Bus. in force ($ 000)	New Ins. pd. for ($000)
1933	1,587,677	820,045	8,224	3,649
1934	2,216,670	1,313,711	11,753	4,471
1935	1,989,503	1,912,192	15,087	4,025
1936	3,018,198	2,397,351	18,591	4,620
1937	3,745,268	3,405,284	22,937	5,788
1938	4,915,142	4,379,938	27,478	5,830
1939	5,839,557	5,241,308	31,417	5,794
1940	6,995,978	6,050,448	36,442	6,798
1941	7,666,453	6,779,747	39,587	5,981
1942	8,527,480	7,629,387	46,906	9,759

Interest earned on net mean ledger assets as reported to Dominion department of insurance, 1941, 4.370%; 1940, 4.327% on total ordinary branch funds of company.

Consideration received from annuities, (in Canada, only) 1942, $99,054; 1941, $141,666.

Canada Life Assurance

Canada Life Assurance, Canada's oldest life insurance company, at the end of 1942 had more than $825.7 millions of life insurance in force. This compared with $815.4 millions the preceding year. Insurance effected in 1942 was $72.9 millions compared with $65.8 millions the preceding year. The company's assets also were higher at $292.4 millions.

The Canada Life with head office at Toronto began business in 1847. It writes all standard lines of ordinary life insurance as well as group. It does business abroad in the British Isles, United States, Newfoundland, the Bahamas, Bermuda and Hawaii.

Almost half of the company's total business is outside the Dominion.

Total premium income in 1942 was $25.4 millions.

The company's investment portfolio shows over 71% of total invested assets to be in bonds, government bonds being 39.9% of the total.

The company does a substantial annuity business and has in force retirement income bonds with maturity benefits totalling $72.8 millions and immediate and vested annuity contracts with a total reserve value of $33.8 millions.

The company was successful in 1942 in reducing its administrative costs in all its insurance business, the decline being nearly 2% compared with 1941.

Head Office—Toronto.

Officers—
A. N. Mitchell, pres.; Leighton McCarthy, chm. of the board; R. A. Laidlaw and E. G. Baker, vice-pres.; H. C. Cox, chm. of the London board; S. C. McEvenue, gen. mgr.; L. K. File, chief actuary; W. J. Beattie, asst. gen. mgr.; E. C. Gill, asst. gen. mgr. and treas.; J. H. Domelle, sec.; S. J. Streight, medical dir.; R. G. McDonald and T. H. Gooch, supts.; J. D. Williamson and J. G. Beatty, actuaries; R. E. Woodcock, W. R. McConnell, A. H. Lemmon, asst. treas.; A. G. Dalrymple, H. N. Watt, J. M. Brown, asst. secs.; J. A. Roberts, asst. med. dir.; J. H. Romig, A. G. MacKenzie, asst. supts.; J. R. Gray, D. M. Ellis, asst. actuaries; W. J. Adams, comptroller; G. G. Daly, chief underwriter.

Directors—
Representing shareholders: A. N. Mitchell, Hon. Leighton McCarthy, P.C., K.C., H. C. Cox, A. E. Arscott, C. A. Bogert, R. A. Laidlaw, J. A. McLeod, S. C. McEvenue, all of Toronto; A. V. Davis, Pittsburgh; J. Stuart, Chicago. Representing policyholders: E. G. Baker, J. M. Macdonnell, Rt. Hon. Sir Thomas White, all of Toronto; Hon. Charles Stewart, Ottawa; Aime Geoffrion, K.C., Montreal.

Growth of Business

Year	Assets ($ 000)	Business in Force ($ 000)	New Ins. Paid for ($ 000)
1912	46,301	144,878	15,512
1917	62,580	183,017	21,389
1922	86,654	360,981	64,521
1927	140,580	769,982	148,492
1932	216,888	928,390	80,536
1937	259,339	817,193	69,431
1938	265,894	814,935	64,968
1939	266,046	810,291	61,145
1940	275,583	805,704	62,000
1941	284,617	815,470	65,853
1942	292,483	825,740	72,988

Analysis of Invested Assets

	1942 %	1941 %	1940 %	1939 %
Bonds:				
Government	39.9	37.9	32.6	30.2
Municipal	15.2	16.5	18.0	17.9
Other	16.2	14.4	13.8	13.5
Total	71.3	68.8	64.4	61.6
Mortgages:				
Farm	4.3	4.8	5.5	6.3
Urban	10.7	11.1	11.7	12.3
Total	15.0	15.9	17.2	18.6
Policy loans	6.0	6.8	7.7	8.3
Stocks:				
(a) Preferred	2.5	2.5	2.7	2.7
(b) Common	1.1	1.4	1.5	1.7
Real estate	3.7	4.1	4.6	5.2
Other	.4	.5	1.9	1.9
GRAND TOTAL	100.0	100.0	100.0	100.0

Interest earned on net mean ledger assets as reported to Dominion Department of Insurance, 1942, 4.15%; 1941, 4.21%.

Consideration received from annuities, 1942, $4,061,161, 1941, $4,884,924.

Western Life

Western Life Assurance Co. of Canada with head office at Hamilton, Ont., had business in force on Dec. 31, 1942, of $8.3 millions. New insurance written during the year totalled $2.2 millions.

The company was incorporated in 1910 with a Manitoba charter. Four years later it took out a Dominion charter and in 1918 received a Dominion license.

In 1938 control was sold to a Hamilton group headed by H. H. Gray and the head office transferred from Winnipeg to Hamilton.

Head Office—Hamilton

Officers—
H. H. Gray, pres. and man. dir.; Dr. G. E. Greenway, chm. of the board; A. R. Goudie, 1st vice-pres.; Dr. O. A. Cannon, 2nd vice-pres.; O. S. McCombie, sec.

Directors—
H. H. Gray, G. E. Greenway, A. R. Goudie, O. A. Cannon, Dr. C. N. M. Black, R. M. Willes Chitty, K.C., N. F. Firth, J. C. Haig, Hon. J. T. Haig, K.C., F. Harding, C. W. Howe, Dr. C. W. Prowd.

Growth of Business

Year	Assets $	Business in Force ($ 000)	New Ins. Paid for ($ 000)
1938	1,305,113	5,772	1,875
1939	1,265,689	6,645	2,247
1940	1,263,816	7,056	2,016
1941	1,245,558	7,304	2,002
1942	1,310,078	8,374	2,256

Analysis of Invested Assets

	1942 %	1941 %	1940 %	1939 %
Bonds:				
Government	17.9	12.8	11.6	10.2
Municipal	11.7	11.4	10.7	10.1
Other	2.0	2.5	1.3	1.1
Total	31.6	26.7	23.6	21.5
Mortgages:				
Farm	....	0.3	....	0.6
Urban	27.0	40.2	37.9	40.2
Total	27.6	40.5	37.9	40.8
Policy loans	9.9	11.5	11.5	12.7
Stocks:				
(a) Preferred	1.8	....	....	0.9
(b) Common	....	1.2	0.7	0.9
Real estate	13.1	19.0	17.9	16.2
Other	16.0	0.8	8.1	7.7
Total	40.7	32.5	38.2	37.5
GRAND TOTAL	100.0	100.0	100.0	100.0

Interest earned on net mean ledger assets as reported to Dominion department of insurance 1942, 5.05%; 1941, 5.36%.

Consideration received from annuities, 1942, $2,500; 1941, nil.

CONTINUED GROWTH AND PROGRESS

★ ★ ★

★ Insurance in force—$48,505,084.00

★ New Insurance written—$17,910,773.00

★ Capital and surplus—$525,847.00

J. K. LEONARD, PRESIDENT

THE MOST PROGRESSIVE

THE INDUSTRIAL

LIFE·ACCIDENT AND SICKNESS INSURANCE COMPANY

PREMIUMS PAYABLE ANNUALLY · SEMI-ANNUALLY

QUARTERLY · MONTHLY AND WEEKLY

THE MONARCH LIFE

ESTABLISHED 1906

Assurance Company

A PROGRESSIVE CANADIAN COMPANY

Dominion of Canada

The Dominion of Canada General Insurance Co. showed gains in both insurance in force and new insurance written in 1942. At Dec. 31, 1942, insurance in force totalled $18.4 millions and new insurance effected during the year was $3.1 millions.

This is a multiple line company, writing fire insurance and various lines of casualty insurance, as well as life.

It was incorporated in 1887 as the Manufacturers' Accident Insurance Co. The name was changed subsequently to Dominion of Canada Guarantee & Accident Insurance Co. and then in 1929 to its present style.

Head Office—Toronto.

Officers—
Edward D. Gooderham, president; D. G. Ross, vice-pres.; H. W. Falconer, vice-pres. and man. dir.; J. C. Dodds, treas.; J. C. Stuart, gen. supt.; J. E. White, actuary.

Directors—
Col. G. G. Blackstock, F. E. Bronson, A. F. Ball, H. S. Gooderham, H. R. Jackman, L. M. Keachie, J. P. Nicolls.

Growth of Business

Year:	Assets ($ 000)	Business in Force ($ 000)	New Ins. Paid for ($ 000)
1933	813	8,086	1,337
1934	935	8,894	1,669
1935	1,090	9,657	1,615
1936	1,305	10,719	1,972
1937	1,534	12,006	2,343
1938	1,730	13,045	2,060
1939	2,022	14,108	1,941
1940	2,261	14,522	2,082
1941	2,563	15,956	2,184
1942	2,908	18,386	3,175

Analysis of Invested Assets

	1942 %	1941 %	1940 %	1939 %
Bonds:				
Government	35.2	27.6	21.4	15.7
Municipal	5.7	7.5	8.9	10.2
Other	29.1	31.5	33.7	35.3
Total	70.0	66.6	64.0	61.2
Mortgages:				
Urban	2.1	2.8	3.5	4.5
Policy loans	8.0	8.7	9.0	9.7
Stocks:				
(a) Preferred	10.7	12.5	12.7	13.5
(b) Common	3.2	3.8	4.2	5.3
Real estate	.2	.2	.1	.2
Other	5.7	5.4	6.5	5.6
GRAND TOTAL	100.0	100.0	100.0	100.0

Interest earned on net mean ledger assets as reported to Dominion Department of Insurance, 1942, 4.33%; 1941, 4.52%.

Consideration received from annuities, 1942, $39,983; 1941, $55,195.

New York Life Insurance

Business in force in Canada with the New York Life Insurance Co. on Dec. 31, 1942, was $125.7 millions, new insurance effected during the year being $3.4 millions.

This company which has been writing insurance in Canada since 1868 was incorporated in New York State in 1841. It was mutualized in 1843 and started business in 1845. The company was known originally as the Nautilus Insurance Co., but adopted the present name in 1849. At the beginning of 1943, it opened a Canadian department under the supervision of Fred A. Wade, inspector of agencies with headquarters in Toronto.

The New York Life is one of the largest insurance companies in the world with total business in force of over $7.1 billions. Total assets on Dec. 31, 1942 were over $3.1 billions.

During the year the company bought Canadian Government bonds to a par value of $11 millions.

Head Office—51 Madison Ave., New York, N.Y.

Chief Agency in Canada—Montreal Trust Bldg., Montreal.

Chief Agent in Canada — P. V. Raven, Montreal.

Growth of Business in Canada

Year	Business in Force $	New Ins.† $
1933	170,620,070	6,101,706
1934	160,517,843	6,163,261
1935	152,520,657	4,849,243
1936	146,644,425	4,613,858
1937	143,234,177	4,688,618
1938	138,936,956	4,074,729
1939	134,855,249	4,293,641
1940	130,612,276	3,608,285
1941	127,650,694	3,342,998
1942	125,689,147	3,460,303

†Paid for, including paid-up additions.

Interest earned on net mean ledger assets as reported to Dominion Department of Insurance, 1942 3.53%; 1941 3.65%.

Consideration for annuities, whole company, 1942, $11,466,601, 1941 $18,925,353.

Excelsior Life

Excelsior Life Insurance Co. was organized in 1889 and began business in 1890 as the Excelsior Life Insurance Co. of Ontario Ltd. At Dec. 31, 1942, it had total insurance in force of $129.7 millions.

New insurance effected in 1942 was $17.2 millions.

The company carried on under its original name until 1899 when the name was changed to the present style. Dominion license was issued June 23, 1897. It writes business in Canada only.

The analysis of invested assets shows a large preponderance of bonds, these forming over 71% of total invested assets. Almost 58% of the total are in Government issues. New money received in 1942 was almost exclusively placed in government bonds.

The company in 1942 made a survey of classes of people buying insurance which showed the age group 21 to 29 to be the best buyers of insurance, although the age group 30 to 39 followed closely.

Officers—
Alex. Fasken, K.C., pres.; J. L. Ross, 1st vice-pres.; G. R. Warwick, 2nd vice-pres.; T. D. Cox, gen. mgr.; C. P. Muckle, sec.-treas.; A. W. Johnston and G. P. Thomson, joint actuaries; C. Q. Parker, investment mgr.; A. P. Johnston, acct.; W. E. Ferguson, medical referee; M. S. Crockford, sales promotion manager.

Directors—
Representing shareholders: Alex. Fasken, J. L. Ross, S. F. Duncan, E. P. Taylor, H. S. Gooderham, Hon. Albert Matthews, Toronto; G. E. Weir, Dresden, Ont.; G. S. Kilbourn, Owen Sound. Representing policyholders: G. R. Warwick, Hon. Leon Mercier Gouin, K.C., Montreal; C. C. Calvin, K.C., Toronto; J. W. Spencer, Victoria.

Field of Operations—All Canada except Prince Edward Island.

Growth of Business

Year	Assets $	Business In Force ($ 000)	New Ins. Paid for ($ 000)
1912	2,855,070	16,718	2,631
1917	4,593,716	21,079	5,114
1922	8,080,259	48,412	7,336
1927	12,327,152	76,387	11,716
1932	19,019,349	94,631	10,186
1937	21,595,777	106,003	16,758
1938	22,504,904	110,225	15,623
1939	23,683,987	113,128	13,707
1940	24,818,436	112,555	12,191
1941	26,130,570	118,350	13,295
1942	28,081,619	129,765	17,274

Analysis of Invested Assets

	1942 %	1941 %	1940 %	1939 %
Bonds:				
Government	57.7	51.4	45.9	39.4
Municipal	6.3	7.3	8.5	11.4
Other	7.6	7.8	8.5	9.9
Total	71.6	66.5	62.9	60.7
Mortgages:				
Farm	1.1	1.3	1.6	1.8
Urban	8.6	10.3	11.5	12.8
Total	9.7	11.6	13.1	14.6
Policy Loans	10.3	11.8	13.0	14.0
Stocks:				
(a) Preferred	1.5 } 4.7	1.6	1.6	1.3
(b) Common	3.2 }	3.5	3.5	2.8
Real Estate	3.3	3.5	3.8	4.3
Other	.4	1.5	2.1	2.4
Grand Total	100.0	100.0	100.0	100.0

Interest earned on net ledger assets as reported to Dominion department of insurance: 1942, 4.41%; 1941, 4.53%.

Consideration received from annuities, 1942, $169,011; 1941, $141,998.

Industrial Life

The Industrial Life Insurance Co. with head office in Quebec city, operates only in Quebec province under provincial license. It writes ordinary, group and industrial insurance. It was established in 1905.

At the end of 1942 it had in force $48.5 millions of life insurance of which $27.8 millions was industrial. Of its total investments, 68.7% is in bonds.

In 1942 the greatest change in the investment portfolio was the increase in holdings of government bonds which rose from 10.4% of total invested assets to 20.6% on Dec. 31, 1942.

Officers
J. K. Leonard, pres. and man. dir.; C. E. Taschereau, vice-pres.; Claude Taschereau, sec. & treas.; A. F. Muth, asst. m[illegible] dir.; S. E. Brock, actuary.

Directo[illegible]
Olivie[illegible]n, S. Gaudreau, M.D., J. K. L[illegible] E. Leonard, A. F. Muth, C. E. [illegible]reau, C. Taschereau, A. Tasche[illegible] S. E. Brock.

Field of Operations—
Quebec Province.

Growth of Business

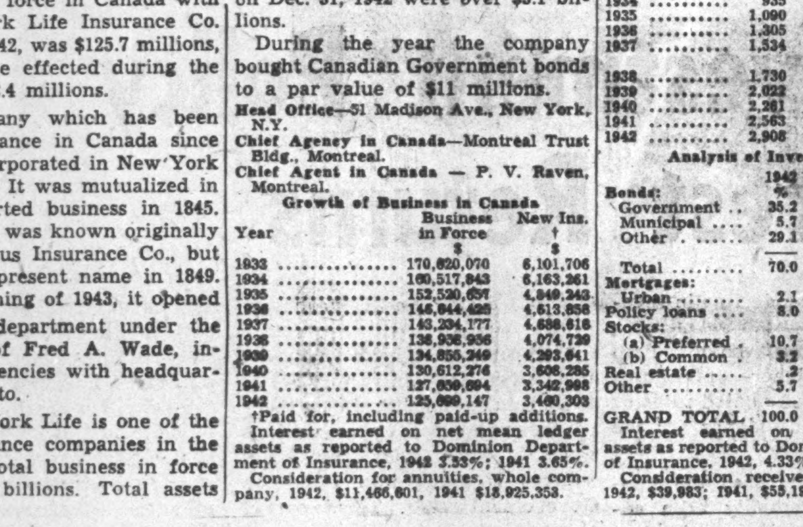
Year	Assets $	Business in Force ($ 000)	New Ins. Paid for ($ 000)
1937	1,950,543	14,320	6,027
1938	2,109,381	16,434	7,425
1939	2,275,385	19,639	6,417
1940	2,506,045	25,243	9,330
1941	3,239,130	34,218	13,199
1942	3,797,513	48,505	17,911

Analysis of Invested Assets

	1942 %	1941 %	1940 %	1939 %
Bonds:				
Government	20.6	10.4	6.4	2.2
Municipal	23.3	25.1	18.9	19.8
Other	24.8	32.8	31.0	31.9
Total	68.7	68.3	56.3	53.9
Mortgages:				
Urban	16.4	17.7	24.9	27.5
Policy loans	2.4	2.7	3.3	3.0
Stocks:				
(a) Preferred	1.9	1.4	1.4	1.1
(b) Common	4.5	3.8	4.8	5.1
Real estate	4.2	4.6	7.2	7.8
Other	1.9	1.7	2.6	1.6
GRAND TOTAL	100.0	100.0	100.0	100.0

Interest earned on net mean ledger assets as reported to Dominion department of insurance, 1942, 5.0%; 1941, 5.5%.

Consideration received from annuities, 1942, $7,694; 1941, $1,[illegible].



MORE and more employers are turning to group insurance in making adequate provision for their employees' welfare.

To meet today's need, the Great-West Life offers complete Group Insurance coverage which provides death benefits and accident and sickness benefits . . . and for the employee's dependents, as well as himself, hospitalization and surgical fees.

In the time of misfortune, it solves both the employer's and the employee's problem. It makes for peace of mind and better plant operation. It is economical and business-like.

Let a Great-West Life man show you how a Group Insurance plan can be fitted to meet the individual needs of your business.

THE GREAT-WEST LIFE ASSURANCE COMPANY

HEAD OFFICE: WINNIPEG

THE TRAVELERS IN CANADA

THE Travelers Insurance Company was organized in 1863, issued its first policy in 1864 and began business in Canada in 1865. The Travelers Indemnity Company and the Travelers Fire Insurance Company likewise began operating in the Dominion shortly after their organization.

Since The Travelers was first authorized to do business in Upper Canada and Lower Canada, prior to Confederation, transactions have grown and expanded. Through increased patronage, the citizens of Canada have given evidence of their appreciation of the security and service rendered by The Travelers Companies, and The Travelers Companies have shown faith in the integrity and stability of Canadian investments.

The total legal liabilities of The Travelers Companies in Canada are secured by Canadian Bonds and loans on Canadian policies. The Bonds consist chiefly of Dominion, Provincial and Municipal issues, and are deposited in Canada under the provisions of the Act of the Parliament of Canada entitled "The Foreign Insurance Companies Act, 1932."

The reserves set up for Canadian policies are all invested in Canadian securities.

The Travelers Insurance Company

The Travelers Indemnity Company

The Travelers Fire Insurance Company

HARTFORD, CONNECTICUT

All forms of life, casualty and fire insurance are available in The Travelers, furnishing comprehensive insurance service to individuals, families and business firms and corporations.

North American Life

North American Life Assurance Co. at Dec. 31, 1942, had $257.5 millions of insurance in force. New insurance effected in 1942 amounted to $31.2 millions. In both cases the figures were higher than the previous year.

The North American Life Assurance Co. was incorporated in 1878 beginning business in 1881. It was known as the North American Mutual Life Assurance Co., but was not operated as a mutual company at that time. The present title was adopted in 1882.

Under the company's charter, provision was made that the capital stock or guarantee fund should be redeemable as and when the majority of the members should decide. This was done in 1931 when the company was mutualized. The capital stock was redeemed out of accumulated surpluses of the company as provided in the charter.

At the close of 1942 the company showed total assets of $76.3 millions. Of the total invested assets more than 66% is in bonds, over half of which are in government issues.

During 1942 the company received $1.1 million consideration from annuities.

The bulk of the company's operations are in Canada.

Head Office—Toronto.

Officers—

D. E. Kilgour, pres. and gen. mgr.; A. J. Mitchell and C. L. Burton, vice-presidents; W. M. Anderson, asst. gen. mgr.; E. J. Harvey, chm. agency exec.; E. Morton, adv. mgr.; E. H. Hanley, supt. of agencies; V. X. McEnaney, supervisor field service; T. M. Sargant, agency auditor; W. G. Gallow, secretary; D. T. Weir, asst. sec.; M. A. Bradshaw, treas.; J. T. Bryden, asst. treas.; A. F. Hall, actuary; E. D. Gibb, asst. actuary; T. D. Archibald, med. dir.; J. G. Falconer, asst. med. dir.; W. J. Burgar, comptroller. J. A. McCamus, gen. supt. of agencies, and G. Ryrie, asst. actuary. J. S. Kilgour, asst. sect., on active service.

Directors—

D. E. Kilgour, A. J. Mitchell, C. L. Burton, F. S. Corrigan, Hon. G. S. Henry, H. J. Humphrey, A. G. Partridge, N. S. Robertson, W. B. Woods, all of Toronto; W. E. Buckingham, Guelph, Ont.; G. H. Montgomery, Montreal; Christopher Spencer, Vancouver.

Growth of Business

Year:	Assets ($ 000)	Business in Force ($ 000)	New Ins. Paid for ($ 000)
1929	42,135	186,281	25,119
1934	48,613	182,202	17,068
1937	58,586	202,650	22,653
1938	61,794	211,275	23,259
1939	65,061	219,060	22,252
1940	67,969	226,533	23,338
1941	71,747	238,272	25,190
1942	76,324	257,567	31,272

Analysis of Invested Assets

	1942 %	1941 %	1940 %	1939 %
Bonds:				
Government	36.8	31.3	30.8	29.5
Municipal	12.4	14.3	14.4	15.2
Other	17.1	17.3	15.0	14.3
Total	66.3	62.9	60.2	59.0
Mortgages & Prop. Sales:				
Farm	1.5	1.7	...	...
Urban	16.0	16.6	...	...
Total	17.5	18.3	19.3	19.5
Policy loans	8.3	9.4	10.6	11.4
Stocks:				
(a) Preferred	2.4	2.5	2.6	2.0
(b) Common	2.7	3.4	3.7	3.6
Real estate	1.5	2.3	2.7	3.1
Other	1.3	1.2	.9	1.4
GRAND TOTAL	100.0	100.0	100.0	100.0

Interest earned on net mean ledger assets as reported to Dominion Department of Insurance, 1942, 4.39%; 1941, 4.58%.

Consideration received for annuities, 1942, $1,169,339; 1941, $943,878.

Commercial Life

The Commercial Life Assurance Co. of Canada at Dec. 31, 1942, had business in force of $12.1 millions. New insurance written during the year was $2.4 millions.

The Commercial Life was incorporated in 1911 as the Alberta-Saskatchewan Life Insurance Co. In 1919 the name was changed to the present style. In 1939 the company moved its head office from Edmonton to Toronto.

Officers—

R. H. Cautley, pres.; J. W. Glenwright, 1st vice-pres. & man. dir.; W. C. Hodgson, 2nd vice-pres.; E. B. H. Shaver, sec.

Directors—

Dr. N. Allin, R. H. Cautley, H. W. B. Douglas, W. T. Henry, all of Edmonton; H. B. Begg, H. H. Bishop, F. J. Colgan, J. W. Glenwright, W. C. Hodgson, all of Toronto; L. G. Calder, Montreal; F. O. Hodgson, Vancouver; John East, Saskatoon.

Growth of Business

Year	Assets ($ 000)	Business in Force ($ 000)	New Ins. Paid for ($ 000)
1940	2,697	10,313	1,787
1941	2,763	11,576	3,701
1942	2,877	12,124	2,425

Analysis of Invested Assets

	1942 %	1941 %	1940 %	1939 %
Bonds:				
Government	36.2	29.9	27.4	23.3
Municipal	6.0	6.7	5.1	5.3
Other	13.9	14.5	15.6	14.5
Total	56.1	51.1	48.1	44.1
Mortgages & agreements:				
Farm	6.0	6.5	7.4	8.0
Urban	2.8	3.4	3.9	5.0
Total	8.8	9.9	11.3	13.0
Policy loans	9.0	11.1	12.2	12.7
Stocks:				
(a) Preferred	3.8	4.5	4.7	5.4
(b) Common	13.1	13.6	14.0	14.1
Real estate	7.3	8.2	8.3	8.7
Other	1.9	1.6	1.4	2.0
Total	100.0	100.0	100.0	100.0

Interest earned on net mean ledger assets as reported to Dominion department of insurance, 1942, 4.49%; 1941, 4.45%.

Consideration received from annuities, 1942, $28,155; 1941, $30,710.

Manufacturers Life

Manufacturers Life Insurance Co. with more than $644 millions of life insurance in force ranks among the largest life insurance companies in Canada.

It writes business outside Canada in Great Britain, United States, West Indies, Central and South America, Africa and Asia, more than half its business being done abroad.

The company was organized at Toronto in 1887. In 1901, the Manufacturers and the Temperance and General Life Assurance Co. of North America were amalgamated under the name of the Manufacturer's and Temperance and General Life Insurance Co. This name was changed to the present style in 1901.

Some 47% of its total invested assets are in government bonds. Government, municipal and miscellaneous bonds make up 71% of the total.

Officers—

M. R. Gooderham, K.C., pres.; F. G. Osler, vice-pres.; J. H. Lithgow, gen. mgr.; R. E. Dowsett, sec.; S. M. Thompson, treas.; G. L. Holmes, actuary; J. R. Beveridge, H. J. Stowe, asst. actuaries; D. R. MacKenzie and H. R. Rowan, asst. secs.; R. C. Montgomery, asst. med. officer; C. K. C. Martin, asst. gen. counsel; E. J. White, mgr. mortgage dept.; W. T. Thorpe, A. Kinch, Managers of Agencies; A. R. Ferguson and K. G. McNab, agency supts.; J. A. Broadbent, inspector U. S. division; F. A. Nicholson, inspector Canadian division; T. B. Close, staff supervisor.

Directors—

Representing shareholders—M. R. Gooderham, K.C., C. S. Band, G. H. Cassels, K.C., Leigh M. McCarthy, Col. A. L. Bishop, J. H. Lithgow, all of Toronto. Representing policyholders—R. A. Daly, F. G. Osler, D. G. Ross, M.P., all of Toronto.

Field of Operations—

Canada, states of California, Delaware, Illinois, Michigan, New Jersey, Ohio, Oregon, Pennsylvania and Washington; also Alaska,* Antigua, Bahamas, Barbados, Bermuda, British Guiana, British Honduras, Ceylon, Colombia*, Costa Rica*, Cyprus, Cuba, Curacao, Dominica, Dutch Guiana, Egypt, Great Britain and Northern Ireland, Grenada, Guatemala, Haiti, Hawaii, Honduras*, India*, Jamaica, Kenya, Newfoundland, Nicaragua*, Palestine, Panama (Canal Zone), Puerto Rico, St. Kitts-Nevis, St. Vincent, Salvador*, South Africa, Trinidad and Tobago, Virgin Islands, Santo Domingo, St. Lucia.

*Renewal business only.

Capital—Authorized	$3,000,000
Subscribed	1,500,000
Paid-up	1,500,000

Dividends Paid on Capital Stock—12% per annum.

Growth of Business

Year	Assets $	Business in Force ($ 000)	New Ins.* Paid for ($ 000)
1912	16,132,947	73,889	15,307
1917	24,585,927	98,129	13,814
1922	42,084,330	217,422	38,146
1927	76,483,180	402,554	70,830
1932	117,786,626	528,253	58,580
1937	154,938,935	†535,954	†57,528
1938	167,271,396	†551,445	†54,841
1939	177,808,634	†568,244	†53,394
1940	190,068,353	†582,089	†47,611
1941	205,003,438	†606,104	†54,847
1942	221,133,780	644,072	†65,956

†Exluding deferred annuities.
*Excluding revivals, increases or bonus additions.

Analysis of Invested Assets

	1942 %	1941 %	1940 %	1939 %
Government	47.0	40.2	36.0	35.3
Municipal	10.9	11.9	13.6	13.4
Other	13.3	14.7	14.3	13.9
TOTAL	71.2	66.8	63.9	62.6
Mortgages				
Farm	2.2	2.7	3.1	3.5
Urban	8.0	9.5	10.8	11.7
TOTAL	10.2	12.2	13.9	15.2
Policy Loans	8.5	9.5	10.5	10.9
Stocks:				
(a) Preferred	2.3	1.8	1.6	1.4
(b) Common	3.4	3.8	4.3	4.5
Real Estate	3.1	3.4	3.7	3.9
Other	1.3	2.5	2.1	1.5
GRAND TOTAL	100.0	100.0	100.0	100.0

Interest earned on net mean ledger assets as reported to Dominion department of insurance: 1942, 4.18%; 1941, 4.51%.

Consideration received from annuities: 1942, $3,840,920; 1941, $4,328,637.

Montreal Life

Business in force with the Montreal Life Insurance Co. at Dec. 31, 1942, totalled $64.5 millions, while new insurance effected was $9.3 millions. The company writes ordinary and group insurance and the great bulk of its business is in Canada.

Montreal Life was organized in 1908 as the Travellers Life Assurance Co. of Canada. It did not start business until 1919. In 1924 the name was changed to the present style and in 1929, control of the company was acquired by the Atlas Assurance Co. of London, England.

Total assets are over $10 millions, over $52% of total invested assets being in bonds.

Officers—

Arthur P. Earle, A.I.A., A.A.S., pres.; W. L. Nicholls, F.I.A., actuary and secretary; J. A. Toller, F.C.I.S., treas. and asst. sec., C. L. Moore, asst. sec.

Directors—

Arthur P. Earle, A.I.A., A.A.S., pres.; C. E. Sanders, vice-pres.; J. V. Desaulniers, vice-pres; William L. Bayer; F. Wilson Fairman, Cecil Hugh Falloon, F.C.I.I., C. G. Greenshields, K.C., Hon. R. O. Grothe, George Hogg, A. L. Mailman, Alfred H. Paradis, William Penman, F.I.A., Jean Rolland, William S. Walton.

Growth of Business

Year	Assets $	Business in Force ($ 000)	New Ins. Paid for ($ 000)
1933	5,446,115	36,700	5,672
1934	5,563,546	37,266	5,240
1935	5,974,845	38,811	6,269
1937	6,694,406	44,794	8,956
1938	7,304,360	47,451	7,495
1939	7,895,923	51,512	9,493
1940	8,311,086	54,222	8,213
1941	9,083,606	59,380	9,890
1942	10,017,100	64,558	9,391

*On new Federal government basis.

Analysis of Invested Assets

	1942 %	1941 %	1940 %	1939 %
Bonds: Government, Municipal, Other	52.4	47.2	42.1	39.0
Mortgages	23.9	26.2	32.2	32.3
Policy loans	7.6	8.6	9.8	11.3
Stocks:				
(a) Preferred	2.5	1.8	.6	.6
(b) Common	7.4	7.4	7.2	7.6
Real estate	5.0	6.6	7.0	7.6
Other	1.2	2.2	1.1	1.6
GRAND TOTAL	100.0	100.0	100.0	100.0

Interest earned on net mean ledger assets as reported to Dominion department of insurance 1942, 5.03%; 1941, 5.10%.

Consideration received from annuities, 1942, $184,807; 1941, $273,858.

Maritime Life

Beginning business in 1924 under Dominion license the Maritime Life Assurance Co. on Dec. 31, 1942, had $21.2 millions of life insurance in force.

This company operates in the Maritime Provinces, Newfoundland, Leeward Islands, Bermuda, Bahamas and Jamaica. About 67% of its total invested assets are in bonds, almost 27% of the total being in government securities.

The company's head office is at Halifax and the directors are all residents of the Maritimes.

Officers—

Hon. E. A. Reilly, K.C., chm. of board; J. G. MacDougall, M.D., pres.; H. R. Silver, Vice-pres.; Bernard Lockwood, F.I.A., F.F.A., A.A.S., gen. mgr.; C. J. Woods, actuary; Lillian Martin, sec.

Directors—

Hon. E. A. Reilly, K.C., Moncton; J. G. MacDougall, M.D., H. R. Silver, R. B. Colwell, G. H. Murphy, M.D., J. H. Winfield, W. H. C. Schwartz, all of Halifax; Hon. Senator F. B. Black, Sackville; W. F. Fraser, New Glasgow; J. D. McKenna, Saint John; Red Hugh McLean, Saint John; C. A. Pippy, St. John's, Nfld.; Hon. F. W. Pirie, Grand Falls, N.B.

Capital—Authorized	$1,000,000
Subscribed	1,000,000
Paid-up	250,000

Dividends to Shareholders — 3% paid in 1937, 1938 and 1939. 3% in 1940, paid Feb. 15, 1940. 3% paid each year Feb. 15, 1936/7/8/9, 3% Feb. 15, 1940, 3% Feb. 15, 1941, 3% paid Feb. 16, 1942 and 1943.

Growth of Business

Year	Assets $	Business in Force ($ 000)	New Ins. Paid for ($ 000)
1933	1,497,834	12,217	1,412
1938	2,686,769	*16,865	*2,448
1939	2,992,072	**16,886	**1,906
1940	3,311,586	**17,716	**1,750
1941	3,690,228	**18,820	**1,976
1942	4,092,853	**20,701	**3,039

*Including deferred annuities.
**Exclusive of deferred annuities.

Analysis of Invested Assets

	1942 %	1941 %	1940 %	1939 %
Bonds:				
Government	26.9	23.2	18.9	28.8
Municipal	15.7	15.6	16.8	
Other	24.5	24.7	25.6	28.0
Total	67.1	63.5	61.3	56.8
Mortgages:				
Urban	5.6	6.8	6.9	8.7
Policy loans	5.6	6.4	7.2	7.1
Stocks:				
(a) Preferred	5.5	5.7	6.0	6.7
(b) Common	9.3	9.8	9.8	10.0
Other	6.9	7.8	8.8	10.7
GRAND TOTAL	100.0	100.0	100.0	100.0

Interest earned on net mean ledger assets as reported to Dominion Department of Insurance, 1942, 4.62%; 1941, 4.70%.

Mutual and Citizens

The Mutual Life and Citizens' Assurance Co. of Australia has been operating in Canada since 1913 with head office at Montreal. About two years ago, it gave notice of its intention to discontinue writing new insurance in this country, but stated it would continue to service business already on its books. Accordingly, both business in force in Canada at Dec. 31, 1942, and insurance effected in 1942 shows a decline. The insurance effected, it is explained, is due to alterations in existing contracts, rather than strictly new insurance.

Figures for the entire company for 1942 are not yet available.

Total business in force at Dec. 31, 1941, however, was $479 millions with total assets $166 millions.

Head Office—Sydney, Australia.

Officers—

M. C. Alder, A.I.A., general manager; H. Vaughan, F.I.A., general secretary and actuary.

Head Office for Canada—Montreal.

Chief Agent in Canada—J. P. Moore, A.I.A.

Growth of Business in Canada

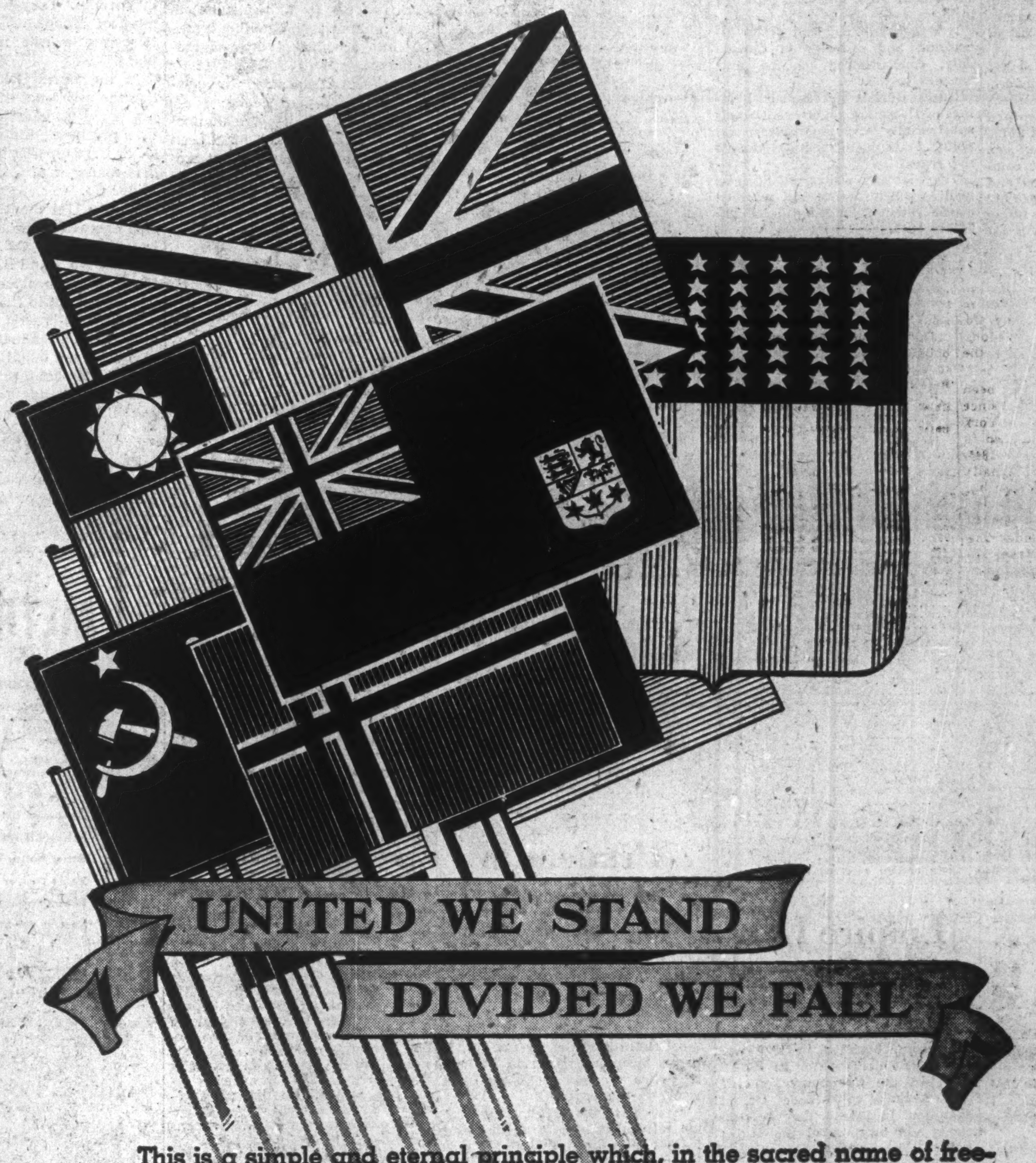
Year	Assets ($000)	Business in Force ($000)	New Ins. Paid for ($000)
1938	8,271	32,089	4,174
1939	7,464	32,830	4,103
1940	7,111	29,315	877
1941	9,505	27,258	*14
1942	9,141	25,969	*2

*Alterations in existing contracts.

Entire Operations

Year	Assets ($000)	Total Bus. in Force ($000)	New O.B. Ins. Effected ($000)
1937	130,791	369,474	39,704
1938	137,362	401,801	40,068
1939	146,844	434,641	40,822
1940	155,236	454,177	32,333
1941	166,303	478,933	29,742

Int. Earned %	1941	1940	1939	1938	1937
Indus. branch	4.68	4.90	4.90	4.84	4.84
Ord. branch	4.78	4.81	4.93	5.00	4.95



This is a simple and eternal principle which, in the sacred name of freedom, has brought together the banners of peoples far apart in locale and tradition, yet having but one single objective — that of overthrowing an infamous enemy who would enslave the world. The collective force and determination of thirty United Nations is an unbeatable alliance which will become a permanent guardian of that higher civilization all men of good will seek for themselves and their children's children.

It is this same principle of collective co-operation which more than 70 years ago drew together those who founded the Sun Life Assurance Company of Canada, for they knew that men, like nations, can best protect each other by pooling risks and uniting resources to meet them.

SUN LIFE OF CANADA
Assures Security

1871 • 72 Years of Security to Policyowners • 1943

In a World at War

In a world at war, one of the few things that men and women may be certain about is their Confederation Life Insurance.

This was proven during the last Great War, and thousands of people who bought life insurance during that period are now enjoying either a monthly income from it or have a substantial cash anchor to windward.

What they did then, you can do today, by means of a Confederation Life Policy.

Confederation Life Policies may be had with Monthly Income Total Disability Benefits.

Before You Insure Consult

Confederation Life Association

HEAD OFFICE TORONTO

Metropolitan Life

Business in force in Canada with the Metropolitan Life Insurance Co. at Dec. 31 totalled over $1.4 billions compared with slightly under $1.3 billions the year before. Of the total $790.3 millions was ordinary insurance, $482.8 millions industrial and $130.1 millions group.

New insurance effected in Canada in 1942 also showed a large gain at $157 millions against $134.7 millions in 1941.

For the seventh successive year dividends to policyholders exceeded $100 millions, almost $103 millions for 1943. Since incorporation dividends and bonuses declared total almost $1.9 billion.

The Metropolitan Life Insurance Co. with head office at New York has more insurance in force than any other company in the world. It was originally incorporated in New York State in 1866 and began operating in the United States in 1867. It has been operating in Canada since 1872, the Canadian head office being located at Ottawa. In 1915 it was reincorporated as a mutual company.

At the end of 1942 the company had total investments in Canada amounting to $329 millions of which $68 millions is in war and victory bonds.

Total business in force with the entire company at the end of 1942 was $26.8 billions compared with $25.4 billions the year before.

Up to the end of 1942 the amount paid out to Canadians since the company entered Canada, plus investments in Canada, exceeded the total premiums received from Canadians by close to $200 millions. Payments to Canadian policyholders and their beneficiaries in 1942 were nearly $27 millions.

Home Office—New York.
Canadian Head Office—Ottawa, Canada.
Vice-President in Charge—Edwin C. McDonald.

Growth of Business in Canada

	Assets $ 000	Business in Force $ 000	New Insur. Effected* $ 000
1936	280,752	1,065,096	125,597
1937	269,863	1,126,790	145,766
1938	271,426	1,143,867	119,155
1939	280,364	1,163,200	101,973
1940	292,290	1,206,231	109,099
1941	312,507	1,294,023	134,794
1942	334,834	1,403,237	157,022

Total Investments in Canada

1942 $000	1941 $000	1940 $000	1939 $000
329,079	315,369	296,976	284,816

Interest earned on net mean ledger assets as reported to Dominion Department of Insurance: 1942, 3.67%; 1941, 3.67%.

Consideration received for annuities, 1942, $998,168; 1941, $895,631.

Continental Life

Continental Life Insurance Co. at December 31, 1942, had $48 millions of insurance in force. New insurance written during the year was $6.4 millions.

This company was incorporated by Ontario charter in 1899 with head office in Toronto. In 1901, Dominion license was obtained. Since then the company has extended its operations to all parts of Canada.

The analysis of invested assets shows an increase in bond investments, particularly in government issues. The rate of interest earned on invested assets in 1942 was 4.67% compared with 4.78% a year ago. Total premium income of the company in 1942 was $1.3 million and total policy payments were $651,012 of which $458,878 was to living policyholders and $192,134 to beneficiaries.

Officers—
Sidney Jones, chm. of board; J. W. Hobbs, pres.; N. J. Lander, vice-pres. and man. dir.; James Hunter, actuary; George Hunt, sec.

Directors—
Representing shareholders: Sidney Jones, J. W. Hobbs, N. J. Lander, T. D'Arcy Leonard, K. McKenzie, all of Toronto; Sir George Garneau, Quebec; C. T. McHattie, Vancouver; W. A. Dryden, Brooklin, Ont.
Representing policyholders: Lorne Ardiel, J. T. Richardson, G. R. Medland, and G. W. Rutter, all of Toronto.

Growth of Business

Year	Assets $	*Business in Force ($ 000)	New Ins.* Paid for ($ 000)
1912	1,462,367	8,524	1,726
1917	2,372,890	12,031	2,075
1922	3,656,247	20,128	3,192
1927	5,650,110	32,779	5,069
1932	7,722,928	37,433	3,733
1937	9,139,241	38,880	5,913
1938	9,697,333	40,300	5,307
1939	10,124,983	41,007	4,927
1940	10,616,517	42,797	5,323
1941	11,231,186	44,683	5,093
1942	11,961,227	48,476	6,496

*Excluding deferred annuities 1937 and succeeding years.

Analysis of Invested Assets

	1942 %	1941 %	1940 %	1939 %
Bonds:				
Government	25.0	20.9	19.8	17.5
Municipal	11.1	12.9	12.3	12.5
Other	16.7	14.9	14.3	12.5
Total	52.8	48.0	46.4	42.5
Mortgages:				
Farm	.1	.2	.1	.2
Urban	15.1	17.4	18.4	19.7
Total	15.2	17.6	18.5	19.9
Policy loans	9.7	11.0	12.1	13.2
Stocks:				
(a) Preferred	3.5	3.6	3.3	3.6
(b) Common	9.4	9.1	9.1	8.4
Real estate	6.8	7.9	9.2	9.6
Other	2.6	2.8	1.4	2.8
Total	32.0	34.4	35.1	37.6
GRAND TOTAL	100.0	100.0	100.0	100.0

Interest earned on net mean ledger assets as reported to Dominion department of insurance, 1942, 4.67%; 1941, 4.78%.

Consideration received from annuities, 1942, $45,114.55; 1941, $57,240.06.

Royal Insurance

The Royal Insurance Co. of Liverpool, England, was established in 1845, is almost 100 years old. It began business in Canada in 1851. In addition to life insurance it writes fire, automobile and various lines of casualty insurance.

Figures for the entire operations of the company for 1942 are not available at time of writing, but business in Canada showed a gain of $1 million in total insurance in force during 1942 to $30.2 millions with new insurance effected being up $200,000 to $2.1 millions. Total assets in Canada at Dec. 31, 1942, were $8.2 millions.

The total assets at the end of 1941, the latest figures available, amounted to $326 millions, while total business in force at the end of 1939 were almost $324 millions.

Over 91% of total invested assets are reported as in bonds at the end of 1942, 84% of the total being in government issues.

Officers—Life Department:
P. R. England, chairman of directors; F. J. Williams and J. D. Simpson, general managers; R. W. Sturgeon, F.I.A., actuary; James Matson, manager for Canada.
Head Office—Liverpool, England.
Head Office for Canada—Montreal.

Growth of Business in Canada

Year	Assets $	Business in Force ($ 000)	New Ins. Paid for ($ 000)
1935	7,149,915	25,219	2,196
1936	6,857,014	26,377	2,641
1937	6,555,648	27,525	2,559
1938	7,454,619	28,101	2,277
1939	6,797,698	28,445	2,170
1940	7,804,704	28,990	1,600
1941	8,159,704	29,365	1,906
1942	8,288,425	30,245	2,114

Entire Operations
Total assets, 1941 .... *$326,601,072
Total business in force, Dec. 31, 1939 .... (net) *$323,786,140
Total new insurance effected, 1941 .... (net) *$ 15,975,370
*At $5 to the pound.

Analysis of Invested Assets

	1942 %	1941 %	1940 %	1939 %
Bonds:				
Government	84	83	79	75
Municipal	6	6	8	8
Other	1	1	2	3
Total	91	90	89	86
Mortgages:				
Urban	1	..	..	..
Policy loans	8	10	11	14
GRAND TOTAL	100	100	100	100

Interest earned on net mean ledger assets as reported to Dominion department of insurance, 1941, 3.28%.

Fidelity Life

Fidelity Life Assurance Co. of Canada up to last year was known as the Saskatchewan Life Insurance Co., the name being changed by authority of the Dominion Parliament in the 1942 session.

The company was originally organized under Dominion charter in 1912, beginning business in 1914. At the end of 1942 it had total insurance in force amounting to $8.9 millions.

It writes ordinary and group insurance, and operates in Canada only, concentrating on the four western provinces.

During 1942 it increased its holdings of Dominion government bonds substantially with mortgages and policy loans being reduced during the year.

The company writes annuities as well as life insurance and received consideration from annuities of $9,734 in 1942.

Officers—
C. M. Willoughby, pres.; G. H. Barr, K.C., vice-pres.; M. B. Farr, gen. mgr.; W. F. Currell, sec.

Directors—
Representing shareholders: G. H. Barr, K.C., W. H. Duncan, M. B. Farr, A. E. Whitmore, C. M. Willoughby, C. B. McKee, T. A. Wilson, C. H. Weicker, D.D.S., all of Regina.
Representing policyholders: I. H. Bowman, Regina; W. M. Houston, Regina; J. B. Francis, Sedley, Sask.; R. A. Wright, Pitman, Sask.

Capital—Authorized $1,000,000
Subscribed 1,000,000
Paid-up 100,000
Dividends—None paid in 1939, 1940, 1941 or 1942.
Head Office—Regina.

Growth of Business

Year	Assets $	Business in Force ($ 000)	New Ins. Paid for ($ 000)
1931	2,197,000	10,380	851
1932	2,200,318	10,118	1,023
1933	2,203,954	9,111	907
1934	2,084,910	8,184	1,087
1937	1,906,090	8,693	1,202
1938	1,895,953	8,988	1,139
1939	1,888,096	8,218	851
1940	1,938,494	8,108	678
1941	1,979,981	8,242	1,021
1942	2,049,416	8,879	1,072

Analysis of Invested Assets

	1942 %	1941 %	1940 %	1939 %
Bonds:				
Government	30.9	20.5	13.1	6.5
Other	10.8	13.1	14.6	13.3
Total	41.7	33.6	27.7	19.8
Mortgages:				
Farm	14.8	17.1	19.5	22.1
Urban	8.3	10.5	12.3	16.4
Total	23.1	27.6	31.8	38.5
Policy loans	15.0	17.1	19.0	20.3
Real estate	14.9	16.0	14.3	14.0
Other	5.3	5.7	7.2	7.4
GRAND TOTAL	100.0	100.0	100.0	100.0

Interest earned on net mean ledger assets as reported to Dominion Department of Insurance 1942, 3.58%; 1941, 4.08%.

Consideration received from annuities, 1942, $9,734; 1941, nil.

Empire Life

The Empire Life Insurance Co. on Dec. 31, 1942, had business in force of $42.4 millions, up $3.4 millions from the previous year.

This company was incorporated and began business in 1923 with head office at Toronto. In 1929, it absorbed the Commonwealth Life and Accident Insurance Co. of Hamilton. In 1936, it took over the assets and business of the Mutual Relief Life Insurance Co. of Kingston and the Empire Life moved its head office to Kingston.

In 1942 the company placed all its new money in Dominion War Loans almost exclusively.

Total premium income in 1942 was about $1.2 millions, almost $100,000 more than in 1941.

The company distributed $260,018 to living policyholders in 1942 with $479,304 being paid in death claims.

Head Office—Kingston, Ont.

Officers—
Charles P. Fell, pres.; A. H. Keith Russell, 1st vice-pres.; J. M. Campbell, 2nd vice-pres.; L. T. Boyd, gen. mgr.; H. H. Blakeman, actuary; J. R. Paterson, treas.; J. S. Delahaye, medical referee.

Directors—
C. P. Fell, A. H. Keith Russell, George M. Orr, D. R. McLaughlin, Newman A. Fairhead, A. Bruce Matthews, of Toronto; D. W. McCormick, Galt; George J. Guy, Port Nelson; Senator Norman P. Lambert, Ottawa.

Growth of Business

Year	Assets $	Business in Force ($ 000)	Issued & Revived ($ 000)
1930	1,878,298	20,117	4,832
1932	2,353,794	*7,044	2,546
1937	8,950,249	35,525	4,421
1938	9,400,123	37,917	3,226
1939	9,852,440	38,115	3,902
1940	10,131,642	38,683	3,952
1941	10,589,298	38,929	5,005
1942	11,172,135	42,392	6,015

Analysis of Invested Assets

	1942 %	1941 %	1940 %	1939 %
Bonds:				
Government	29.1	23.4	20.0	16.4
Municipal	14.0	14.0	15.2	16.0
Other	25.0	25.2	26.3	24.0
Total	68.1	62.6	61.5	56.4
Mortgages:				
Urban	12.3	13.2	13.8	17.0
Policy loans	7.5	8.0	8.5	8.8
Stocks:				
(a) Preferred / (b) Common	8.0	10.7	10.6	9.6
Real estate	3.2	3.7	4.6	5.2
Other	.9	1.8	1.0	3.0
GRAND TOTAL	100.0	100.0	100.0	100.0

Interest earned on net mean ledger assets as reported to Dominion Department of Insurance, 1942, 4.48%; 1941, 4.59%.

Consideration received from annuities, 1942, $37,095; 1941, $50,467.

National Life

National Life Assurance Co. has been operating in Canada since 1899, under Dominion charter. Head office is in Toronto. At Dec. 31, 1942, it had business in force of over $69.5 millions. It writes ordinary and group insurance and operates in Bermuda and Jamaica as well as throughout Canada.

Total premium income in 1942 was $1.6 million of which $1.4 million came from Canada.

The investment portfolio shows almost 65% of total investments in bonds. Government issues were 31.5% of the total.

During 1942, the main change in the investment portfolio was an increase in Dominion bonds of $924,271. Provincial, municipal and corporation bond holdings were lower. Mortgages increased by $139,869.

The rate of interest earned on net ledger assets at 4.71% was slightly lower than in the previous year.

Officers—
H. R. Bain, pres.; Robt. Fennell, K.C., vice-pres.; G. Fay Davies, gen. mgr.; M. W. McCutcheon, asst. gen. mgr. and supt. of agencies; G. D. McKinney, F.A.S., F.A.I.A., actuary; R. M. Huestis, supervisor of agencies; H. M. S. Tait, M.D., medical referee; F. E. Fletcher, secretary.

Directors—
Representing shareholders: H. R. Bain, Robt. Fennell, K.C., Alfred Rogers, Jr., Frank S. Vanstone, Dana H. Porter, Fraser D. Reid, Toronto.
Representing policyholders: Lt.-Col. S. C. Oland, V.D., A.D.C., Halifax; A. H. Beaton, K.C., D. H. Gibson, Toronto.

Field of Operations—
Canada, Bermuda and Jamaica.

Capital—Authorized $1,000,000
Subscribed 1,000,000
Paid-up 250,000

Growth of Business

Year	Assets $	Business in Force ($ 000)	New Ins. Paid for ($ 000)
1912	2,093,281	18,403	5,379
1917	3,755,420	22,687	4,338
1922	6,155,137	37,129	7,341
1927	8,477,959	48,890	10,332
1932	11,433,390	59,094	8,339
1937	12,238,320	58,038	*6,952
1938	12,280,644	59,194	6,448
1939	12,847,105	62,360	8,949
1940	13,444,346	62,119	5,916
1941	13,978,128	65,075	6,754
1942	14,737,613	69,580	8,038

*On settled-for basis.

Analysis of Invested Assets

	1942 %	1941 %	1940 %	1939 %
Bonds:				
Government	31.5	27.1	23.6	22.4
Municipal	18.7	21.6	25.8	30.8
Other	14.7	16.1	16.3	14.4
Total	64.9	64.8	65.7	67.6
Mortgages:				
Urban	11.2	9.5	6.8	4.3
Policy loans	10.6	12.2	13.4	13.9
Stocks:				
(a) Preferred	2.3	2.2	1.7	1.6
(b) Common	5.9	6.2	6.6	7.9
Real estate	3.4	2.9	3.0	3.2
Other	1.7	2.2	2.8	1.5
GRAND TOTAL	100.0	100.0	100.0	100.0

Interest earned on net mean ledger assets as reported to Dominion department of insurance: 1942, 4.71%; 1941, 4.73%.

Consideration received from annuities, 1942, $28,954; 1941, $11,121.

Union Mutual

Union Mutual Life Insurance Co., of Portland, Maine, on Dec. 31, 1942, had $3.8 millions insurance in force in Canada. New insurance effected during the year was $135,500.

The company was organized in 1848, starting business in 1849. In 1868 it started business in Canada. At the beginning of 1943 it had on deposit with the Receiver-General, securities with an accepted value of $1.6 millions.

Total insurance in force with the Union Mutual over the entire company, at the close of 1942 was $102.6 millions.

Head Office—Portland, Maine.
Head Office for Canada—Montreal.
Chief Agent in Canada—Charles Champorex.

Growth of Business in Canada

	Ins. in force ($ 000)	Insurance effected ($ 000)
1941	3,983	73
1942	3,859	135

Interest earned on net mean ledger assets as reported to Dominion department of insurance, 1942, 3.71%; 1941 3.69%.

Consideration received from annuities, 1942, $341,553; 1941, $411,532.

Prudential of America

Prudential Insurance Co. of America with head office at Newark, N.J. began business in the United States in 1875. It was known at first as the Widows' and Orphans' Friendly Society in New Jersey. The name was changed in 1877 to the Prudential Friendly Society. It began business in Canada in 1909. It writes ordinary, industrial and group insurance.

Figures for the 1942 business are not to hand at time of writing. But in 1941 the company wrote $71 millions insurance in Canada and had $585 millions insurance in force in this country.

Business in force with the entire company on Dec. 31, 1941 was $19.5 billions and new insurance effected during the year was $2.1 billions. Total assets were $4.5 billions.

Dominion Life

Dominion Life Assurance Co. in 1942 crossed the $200 million mark in business in force, closing the year with $211.3 millions on its books. New insurance effected during the year was $24.8 millions.

Dominion Life was organized with head office at Waterloo, Ont., in 1889 by Thomas Hilliard, who became president in 1905. It does business outside Canada, in Newfoundland, Jamaica, Alaska and the states of Michigan and Pennsylvania. It writes both participating and non-participating policies. Total assets at the close of 1942 were over $52 millions. During the year investments in government bonds increased substantially, the major portion of new money being invested this way. The company reports a large volume of buying of life insurance by employees in war work.

Officers—
Ford S. Kumpf, pres. and man. dir.; A. S. Upton, asst. gen. mgr.; F. L. Whitaker, asst. gen. mgr. and treas.; Herbert Schaus, sec.; A. J. Huenergard, F.A.S., actuary; E. G. Schafer, F.A.S., assoc. actuary; E. S. Reid, A.C.I.S., asst. sec.; J. J. Murray, supt. of agencies; A. J. McGanity, medical referee.

Directors—
Ford S. Kumpf, pres.; Geo. A. Dobbie, Galt, vice-pres.; A. J. Andrews, K.C., Winnipeg; W. L. Hilliard, M.D., Waterloo; J. H. Gundy, Toronto; C. Gordon Cockshutt, Brantford; W. H. Malkin, Vancouver; G. A. Forbes, Hespeler; Hon. W. D. Euler, M.P., Kitchener; J. E. F. Seagram, Waterloo; Hon. Senator A. C. Hardy, P.C., K.C., Ottawa; J. A. Simard, Montreal.

Field of Operations—
Canada, Newfoundland, Jamaica, Alaska and the States of Michigan and Pennsylvania.

Growth of Business

Year	Assets ($ 000)	Business in Force ($ 000)	New Ins. Paid for ($ 000)
1912	2,873	13,936	2,957
1917	4,650	22,272	4,974
1922	8,232	39,608	13,805
1927	18,890	107,364	23,967
1932	25,850	147,721	16,197
1937	36,789	172,936	21,257
1938	40,883	176,818	17,611
1939	43,875	185,202	17,792
1940	46,503	188,368	15,877
1941	49,248	196,711	16,835
1942	52,538	211,286	24,831†

†Including business issued, increased and revived, total would be $26,656,201.

Analysis of Invested Assets

	1942 %	1941 %	1940 %	1939 %
Bonds:				
Government	26.6	19.5	15.4	12.9
Municipal	.1	.1	.1	.1
Other	27.9	29.8	30.9	31.0
Total	54.6	49.4	46.4	44.0
Mortgages				
Farm	3.5	3.7	4.0	4.3
Urban	26.5	29.1	30.7	31.4
Total	30.0	32.8	34.7	35.7
Policy loans	8.7	9.9	11.1	11.9
Stocks:				
(a) Preferred	1.7	1.9	1.3	1.5
(b) Common	1.6	1.7	1.8	1.7
Real estate	2.4	3.1	4.0	4.6
Other	1.0	1.2	.7	.6
GRAND TOTAL	100.0	100.0	100.0	100.0

Interest earned on net mean ledger assets as reported to Dominion department of insurance 1942, 4.46%; 1941, 4.55%.

Consideration received from annuities, 1942, $750,023; 1941, $796,321.

Industrial Conservation

How Small Arms Beats Shortages

Conservation Programme Worth Over 28,000 Extra Rifles

A few months ago Col. Malcolm P. Jolley, president and general manager of Small Arms, Ltd., the Crown company entrusted with erecting and operating what has become the largest rifle plant in the British Empire, wondered why the trigger guard for the rifle could not be made from pressed steel instead of from a solid forging.

The company's designing engineers did some paper work on drawings and specifications. Its production department, from these drawing, turned out a few experimental trigger guards from pressed metal. They were submitted to ordnance headquarters at Ottawa and approved. The result is that on this one job 868,000 lb. of precious steel are being saved each year; 168,000 fewer man-hours are required; 64 machine tools have been eliminated, and $208,000 of the taxpayers' money saved.

Save $1.3 Million

This is only an example of what Small Arms is accomplishing in its programme of conservation. On 14 items on the Mark 1 No. 4 rifle, which has succeeded the Lee Enfield of the last war, annual savings run to $1.3 million in labor and material, without taking into account savings on machine tools and subcontractor's operations. At the same time production has been speeded.

Some time ago it was announced that the cost of a rifle had been reduced from $97 for the first production models to $47. This cost has since been reduced by an unknown, but important, amount, The Financial Post is told. The $1.3 millions annual saving would mean that Canada and her allies get about 28,000 more rifles each year at the latest $47 unit cost for the same money.

An Engineering Job

Small Arms whole organization is characterized by youth and technical skill. Col. Jolley, the president and general manager, is a 35-year-old ordnance officer who was a lieutenant when the war started. The factory manager, Albert E. Jagger, is only a year older and came to Small Arms from Canadian General Electric Co.

In July, 1940, Lieut. Jolley and Bert Jagger occupied a small, hot office in an old post office building in Toronto. They were handed a mass of blueprints out of which to create a rifle manufacturing plant.

In the venture, however, they had the assistance of able and experienced production men. The first president, for example, was G. S. Braden, president and general manager of Canada Cycle & Motor Co.

Within 11½ months the factory was operating, the first rifles had been produced. Col. Jolley today has rifle No. 1 and Bert Jagger has No. 4. The other "originals" have been worn out in firing tests. Now Small Arms is well into its third hundred thousand rifles and it has also achieved quantity production on the Sten submachine gun, this war's outstanding Commando, guerilla and service weapon.

An Everyday Job

There is no particular organization within the company which has as its prime purpose the devising of means to save labor and materials, but all have this objective firmly in mind.

Right now a suggestion system is being installed. It is expected that this will stimulate flow of ideas from the whole staff, as incentives will include cash awards and prospects of promotion.

The design changes and material substitutions are normally developed by engineers or specialists, but the ideas come from many different sources. Col. Jolley spends perhaps 50% of his time in the plant, often working on machines to try out ideas that have occurred to him.

By improved design, substitution of materials and elimination of non-essential parts, the Empire's largest rifle plant, Small Arms Ltd., is saving $1.3 millions in materials and labor each year. Teamwork is the secret of this accomplishment, with everyone from the president to the machine operator sharing in the credit.

Sometimes conservation results from authority received from army headquarters to change the design of a certain part. A good example of this is the backsight on the rifle. Original design required this to be assembled from seven machined parts, each requiring intricate work. Now the backsight is a single piece which is readily made from bar stock. On this operation 143,000 lb. of materials and 319,000 man-hours have been saved; 37 machine tools have been eliminated, cost has been reduced $296,000 each year.

Zinc and Plastic for Brass

When a scarce material is replaced by one that is more plentiful, this frequently results also in savings of money and labor.

British design called for an oil bottle for each rifle to be machined from brass stock. Now molded plastic material has been substitued, saving 220,000 lb. of brass annually and $61,000.

The butt plate for the rifle was originally made from a brass forging. When brass became critical, die cast zinc was substituted, saving 150,000 lb. of brass each year and $96,000.

Sometimes subcontractors, who make all but 37 of the approximately 100 parts going into the rifle, are responsible for important savings. Recently, Slaters Ltd., a Hamilton firm making the case magazines, was asked if it could use a welded and cold draw method instead of a method which required 15 steps, with annealing and cleaning between each. It was successful, production is coming through on the new cold draw part at an estimated saving of about 25% for each magazine and $70,000 over a year.

Simple things like changing the design of the upper band, which helps bind the wooden part to the barrel, from a two-piece hinged assembly to one-piece made from a steel strip, have contributed to the overall objective of simplified manufacturing and reduced costs.

Small Arms officials emphasize that rarely is it possible to say that a particular individual is responsible for any one idea. It is easy, by contrast, to point to half a dozen or more who have helped in perfecting an idea.

Occasionally it is decided that a certain part can be eliminated entirely. This was the case with the "plate catch head breech bolt," a term referring to a small but tricky part in the rifle action. Convincing military authorities that the rifle would be just as good without this meant an annual saving of 15,200 lb. of steel, 120,000 man-hours, and $55,000. In addition 12 machine tools were released for other jobs.

Travelers Insurance

The Travelers Insurance Co., organized in 1863, issued its first policy in 1864 and began business in Canada in 1865. Two of its associates, the Travelers Indemnity Co. and the Travelers Fire Insurance Co. also began operating in the Dominion soon after their organization. The company's head office is at Hartford, Conn., with the head office for Canada at Montreal.

The company as a whole has life insurance of $5.7 billions in force, an increase for the year of $83.4 millions.

New insurance effected was $563 millions, exclusive of additions to group policies. Income from life premiums at $110 millions was $2.4 millions more than in the previous year.

The company had in Canada at the end of 1942 total liabilities of $30.4 millions, secured by loans on Canadian policies amounting to $3.2 millions and bonds on deposit in Canada with a value of $27.2 millions.

Business in force in Canada at the end of 1941 was $129 millions, 1942 figures for the Canadian business are not available at time of writing.

Life Insurance Sales $40 Millions in Month

Life insurance sales in January in Canada and Newfoundland totalled $40.4 millions. The figures, compiled by the Life Insurance Sales Research Bureau and released by the Canadian Life Insurance Officers Association, are based on the experience of 18 companies representing 86% of the business in force and are for new, settled for, ordinary insurance, exclusive of increases, revivals, dividend additions, etc.

Ontario sales were $17.7 millions and Quebec sales $10.4 millions.

Sales in January:	1943
British Columbia	$2,899,000
Alberta	2,197,000
Saskatchewan	1,037,000
Manitoba	2,603,000
Ontario	17,777,000
Quebec	10,453,000
New Brunswick	1,183,000
Nova Scotia	1,529,000
Newfoundland	475,000
Prince Edward Island	267,000
	$40,420,000

MontrealPower Peak Load Up

From Our Own Correspondent

MONTREAL. — Montreal Light Heat & Power Cons. has increased the peak load of its primary power production to 890,000 h.p., in order to meet wartime electricity needs. This contrasts with 685,000 h.p. at the start of the war, according to a statement made at the annual meeting by John S. Norris, president. Practically all of this increase represents new output at the Beauharnois plant.

To make it possible the company has spent about $12 millions on capital account, from its own resources, during the three war years.

As regards the funded debt situation, it is stated that the balance of the 1949 maturity of notes will be taken care of from interim accumulations and without new financing. The company already has government bonds in its investment portfolio to take care of the note maturity of 1944.

In discussing future prospects, Mr. Norris says there will undoubtedly be some recession in demand for electricity in the immediate postwar period, but adds that he is hopeful "that the public demand for peacetime goods, the manufacture of so many of which has been suspended in the interests of the war effort, will result in considerable industrial activity and will tend to offset to some extent the reduction in so-called war loans."

Will Support Quebec Plan

From Our Own Correspondent

MONTREAL. — Co-operation of Shawinigan Water & Power Co. in any government programme for extending electrical services to the farmers of Quebec, was pledged by James Wilson, president, at the annual meeting of the company.

Quebec plans the building of transmission lines by the province and the furnishing of power by the different generating companies, which will also be asked to operate and maintain these transmission lines.

"In recent years," said Mr. Wilson, "your company has itself expended nearly $5 millions in extending its services to rural municipalities situated in its territory, and as a result over 40% of the farms in such territory have access to these services at a cost to the consumer lower than in any other district on the continent."

Referring to Shawinigan Chemicals Ltd., a wholly-owned subsidiary, Mr. Wilson referred to further expansion in operations last year. Existing plants have been enlarged or rebuilt, while new plants have been erected and joint ventures entered into with other interests in making use of the company's products.

The volume production of calcium carbide he reported, has increased threefold over that of 1939, with additional quantities to be made available in 1943.

METROPOLITAN LIFE BUSINESS REPORT FOR 1942

OBLIGATIONS TO POLICYHOLDERS, BENEFICIARIES, AND OTHERS

Policy Reserves Required by Law — This amount, together with future premiums and interest, is required to assure payment of all future policy benefits.	$5,188,714,637.87
Reserved for Future Payments Under Supplementary Contracts — Policy proceeds from death claims, matured endowments and other payments left with the Company.	189,169,000.07
Dividends Left with the Company	30,301,837.94
Policy Claims Currently Outstanding	30,307,563.89
Other Policy Obligations	18,993,606.98
Taxes Due or Accrued	17,542,243.00
Miscellaneous Liabilities	18,083,549.37
Reserve for Mortgage Loans — To provide against possible depreciation in value of such loans.	17,000,000.00
Reserved for Dividends to Policyholders — Set aside for payment in 1943 to those policyholders eligible to receive them.	102,733,947.00
TOTAL OBLIGATIONS	$5,612,846,386.12

ASSETS WHICH ASSURE FULFILLMENT OF OBLIGATIONS

Government Securities — U. S. Government, $1,640,023,863.53; Canadian Government, $132,810,424.99.	$1,772,834,288.52
Other Bonds — U. S. State and Municipal, $86,482,597.79; Canadian Provincial and Municipal, $92,268,974.32; Railroad, $527,015,597.35; Public Utilities, $818,347,218.79; Industrial and Miscellaneous, $510,191,509.68.	2,034,305,897.93
Stocks — All but $320,750.00 are Preferred or Guaranteed.	81,805,186.00
First Mortgage Loans on Real Estate — Farms, $89,380,287.45; Other Property, $863,051,414.58.	952,431,702.03
Loans on Policies	453,940,104.42
Real Estate Owned — Includes $124,250,661.21 Housing Projects and real estate for Company use, and $71,670,999.49 real estate under contract of sale.	383,026,409.36
Cash	158,765,194.49
Premiums, Deferred and in Course of Collection, net	95,913,691.33
Interest and Rents Due and Accrued, etc.	61,893,102.50
TOTAL ASSETS TO MEET OBLIGATIONS	$5,994,915,576.58

SURPLUS FUNDS $382,069,190.46

The Company holds total assets which exceed the total of its obligations by $382,069,190.46, for the purpose of giving added assurance that all benefits to policyholders and beneficiaries will be paid in full as they fall due. This amount is composed of

Special Surplus Funds . . . $12,300,000.00 **Unassigned Funds (Surplus) . . $369,769,190.46**

and serves as a margin of safety against possible unfavourable experience, whether due to war or other conditions.

NOTE—Assets carried at $271,804,055.40 in the above statement are deposited with various public officials under requirements of law or regulatory authority. Canadian business embraced in this statement is reported on the basis of par of exchange.

Life Insurance in Force, End of 1942 . $26,867,676,154

Paid-for Life Insurance Issued During 1942 . $2,051,013,903 **Amount Paid to Policyholders During 1942 . $533,624,637.04**

HIGHLIGHTS OF 1942 OPERATIONS IN CANADA

These highlights of the Company's business in the Dominion during 1942 will be of particular interest to Metropolitan Canadian policyholders and their beneficiaries.

Investments in Canada:

Dominion Government Bonds	$132,810,424.99
Provincial and Municipal Bonds	92,268,974.32
All other investments	104,000,070.81
	$329,079,470.12

Included in the above figures are Victory and War Loan investments of $68,000,000.

Life Insurance in Force in Canada, end of 1942:

Ordinary	$790,359,074
Industrial	482,800,803
Group	130,077,666
	$1,403,237,543

Number of policies in force in Canada, end of 1942—2,783,201.

Payments to Canadian Policyholders and their beneficiaries during 1942—$26,897,409.49.

Paid-for Life Insurance Issued in Canada during 1942—$157,022,928.

The total amount the Metropolitan has paid to Canadians since it entered Canada in 1872, plus the amount now invested here, exceeds the total premiums received from Canadians by more than $199,750,000.

Metropolitan Life Insurance Company

(A MUTUAL COMPANY)
HOME OFFICE: NEW YORK
Canadian Head Office: OTTAWA
EDWIN C. MCDONALD, Vice-President in Charge

FREDERICK H. ECKER, Chairman of the Board
LEROY A. LINCOLN, President

Mutual Life of Canada

Mutual Life Assurance Co. of Canada on Dec. 31, 1943, had insurance in force of $638.5 millions, an increase of over $29.1 millions from the previous year. New insurance effected during the year was $61.9 millions compared with $54.1 millions the year before. Total assets increased from $207 millions to $220 millions, the highest in the company's history.

The Mutual Life of Canada was organized with an Ontario charter in 1868 as the Ontario Mutual Life Assurance Co. with head office at Waterloo, Ont. A condition of organization was that at least 500 prospective policyholders had pledged themselves to take out policies of $1,000 each, thus providing $500,000 business in force at the start. This was accomplished by Feb., 1870, and the company began business in March. Eight years later a Dominion charter was issued. In 1900 the name was changed to the present one. In 1929 the company decided to extend its operations outside Canada and Newfoundland and began operating in New York State. This move was followed by taking out a license to do business in Bermuda in 1930. The great bulk of the company's business is in Canada however.

Following the last annual meeting, important changes were made in the board. R. O. McCulloch, who had been president since 1929, became chairman of the board and L. L. Lang, who had been vice-president since 1929, became president. W. H. Somerville, general manager, was made a vice-president.

In 1942 the company's subscriptions to the two Victory loans totalled $30 millions of which $27.6 millions was paid for before the end of the year.

Officers—
L. L. Lang, president; R. O. McCulloch, chairman of the board; Major General S. C. Mewburn, K.C., vice-pres.; W. H. Somerville, vice-pres. and gen. mgr.; A. E. Pequegnat, asst. gen. mgr.; J. M. Laing, actuary; H. Holmes, associate actuary; H. M. Cook, secretary; W. Carlisle, supt. of agencies; J. M. Livingston, M.D. medical director; H. L. Guy, treasurer.

Directors—
L. L. Lang, Kitchener; R. O. McCulloch, Galt; Major Gen. S. C. Mewburn, K.C., Hamilton; W. H. Somerville, Waterloo, Ont.; R. C. Birkenshaw, Toronto; G. Blair Gordon, Montreal; G. C. Leitch, Toronto; J. Y. Murdoch, Toronto; W. G. Murrin, Vancouver; Glyn Osler K.C., Toronto; J. E. Perrault, K.C., Montreal; Isaac Pitblado, K.C., Winnipeg; W. P. Bowell, Hamilton; C. F. Sise, Montreal; W. G. Watson, Toronto.

Field of Operations—
Canada, Newfoundland, Bermuda and New York State.

Capital—None.

Growth of Business

Year	Assets ($ 000)	Business in Force ($ 000)	New Ins. Paid for ($ 000)
1912	20,071	77,921	10,712
1917	32,165	123,511	20,673
1922	53,605	246,487	31,062
1927	89,233	386,712	49,535
1932	132,198	517,968	44,039
1937	169,887	550,576	*44,697
1938	178,977	559,110	*44,857
1939	187,636	572,110	*45,527
1940	196,605	586,019	*45,615
1941	207,462	609,364	*54,108
1942	219,699	638,526	*61,955

*Excluding annuities, 1937 to 1942 figures include increases but not revivals.

Analysis of Invested Assets

	1942 %	1941 %	1940 %	1939 %
Bonds:				
Government	48.1	43.2	39.9	36.4
Municipal	7.7	9.7	10.4	11.1
Other	8.8	9.5	9.4	10.4
Total	64.6	62.4	59.7	57.9
Mortgages, etc.:				
Farm	3.0	3.4	3.8	4.1
Urban	13.7	15.3	15.4	15.6
Total	16.7	18.7	19.2	19.7
Policy loans	10.3	11.9	13.1	14.1
Stocks:				
(a) Preferred	.9	1.0	1.0	1.1
(b) Common	3.3	3.5	3.6	3.3
Real estate	1.1	1.9	2.7	2.9
Other	3.1	.6	.7	1.0
GRAND TOTAL	100.0	100.0	100.0	100.0

Interest earned on net mean ledger assets as published, 1942 4.57%, 1941 4.59%.

Consideration received from annuities, 1942, $1,163,328, 1941, $1,168,500.

T. Eaton Life

The T. Eaton Life Assurance Co. on Dec. 31, 1942, had $35.5 millions of life insurance in force. New insurance written during the year was $3.1 millions. Total assets on Dec. 31, 1942, were $11.2 millions.

The company was incorporated under Dominion charter in 1920 and writes ordinary insurance. Total premium income in 1942 was $960,-122.

Officers—
J. D. Eaton, pres.; O. D. Vaughan, vice-pres.; J. A. Livingston, vice-pres., mgr. and sec.-treas.; T. C. Eaton, vice-pres.; A. E. Harkness, A.A.S., actuary.

Directors—
Shareholders' directors—J. D. Eaton, O. D. Vaughan, J. A. Livingstone, T. C. Eaton, Mrs. J. S. Burnside, E. A. Eaton, J. G. McKee, all of Toronto.
Policyholders' directors—J. Elliott and T. C. Musgrave, Toronto; C. H. Boothe, Hamilton; F. B. Walls, Montreal; R. S. McCordick, Winnipeg, A. H. Grainger, Moncton.

Head Office—Toronto.

Growth of Business

Year:	Assets ($ 000)	*Business in Force ($ 000)	New Ins. Paid for ($ 000)
1922	331	1,848	685
1927	1,413	12,903	4,351
1932	1,452	26,203	2,531
1937	7,343	29,850	2,914
1938	8,004	31,106	2,925
1939	8,759	32,558	3,003
1940	9,713	33,885	2,713
1941	10,491	35,868	3,350
1942	11,231	37,488	3,235

*Including annuities.

Analysis of Invested Assets

	1942 %	1941 %	1940 %	1939 %
Bonds:				
Government	51.7	49.4	51.6	48.5
Municipal	1.7	1.9	2.0	1.1
Other	3.2	3.3	2.7	3.1
Total	56.6	54.6	56.3	52.7
Mortgages:				
Urban	26.1	26.2	24.1	24.6
Policy loans	8.5	9.3	9.6	9.8
Stocks:				
(a) Preferred	.6	.7	.8	1.1
(b) Common	6.8	7.3	6.7	6.7
Real estate	.2	.8	1.6	1.3
Other	1.2	1.1	.9	3.8
GRAND TOTAL	100.0	100.0	100.0	100.0

Interest earned on net mean ledger assets as reported to Dominion Department of Insurance, 1942, 4.49%; 1941, 4.55%.

Consideration received from annuities, 1942, $75,148; 1941, $89,033.

Great-West Life

The Great-West Life Assurance Co. with $656.4 millions of business in force ranks fourth among Canadian life insurance companies. It was established in 1891 and began business in 1892.

The company does a large volume of ordinary and group annuity business and, if this is included, total business in force on Dec. 31 amounted to $698 millions, with new business placed during the year including two classes of annuities amounting to $78.9 millions.

The company is also licensed to write accident and health insurance and in the annual report for 1942 the general manager stated that their entry into this field in the past year had given satisfactory results.

While three quarters of the business of the company is in Canada, it does a substantial volume of business also in nine states of the U.S. Total business in force outside Canada at Dec. 31 amounted to approximately $152 millions.

At the end of 1942 bond investments were 66.8% of total invested assets. This was an increase of almost 5.6%. During the year, $28.5 millions was invested in Dominion Government bonds, chiefly Victory loans.

Investments in mortgages have been steadily declining in recent years. Policy loans as well have shown a steady decline for some years back.

At the recent annual meeting a number of changes were effected in the board, the president, M. F. Christie, becoming chairman of the board, with W. P. Riley becoming president and H. W. Manning vice-president and managing director.

Officers—
M. F. Christie, chairman of the board; W. P. Riley, president; H. W. Manning, vice-pres. and managing director; H. E. Sellers, vice-pres.; F. D. MacCharles, gen. mgr. and actuary; A. J. D. Morgan, asst. gen. mgr.; H. A. H. Baker, asst. gen. mgr. and supt. of agencies; Eustace A. Brock, sec.; W. L. Mann, M.D., chief medical referee.

Directors—
Representing shareholders: G. H. Aikins, R. T. Riley, H. E. Sellers, S. L. Cork, H. W. Manning, H. F. Osler, G. McLean, all of Winnipeg; Hon. T. A. Crerar, Ottawa, Ont.
Representing policyholders: F. E. Halls, N. J. Breen, M. F. Christie, W. P. Riley, all of Winnipeg.

Field of Operations—
Canada, North Dakota, Minnesota, Michigan, Illinois, Washington, Indiana, Missouri, Ohio and Kansas, U.S.A.

Capital—Authorized	$1,000,000
Subscribed	1,000,000
Paid-up	1,000,000

Dividends Paid—15% per annum.

Growth of Business

Year	Assets $	Business in Force ($ 000)	†New Ins. Paid for ($ 000)
1912	12,251,932	83,979	20,268
1917	24,385,666	152,643	29,164
1922	49,198,255	318,607	46,467
1927	94,909,289	502,545	66,418
1932	135,738,365	580,537	39,184
1937	156,805,466	567,150	44,999
1938	162,554,770	580,301	46,579
1939	167,456,203	594,585	48,083
1940	173,512,329	606,493	40,105
1941	180,608,957	622,693	44,560
1942	189,369,081	656,399	60,143

†Paid for excluding annuities, revivals, etc.

Analysis of Invested Assets

	1942 %	1941 %	1940 %	1939 %
Bonds:				
Government	40.9	36.0	31.8	30.3
Municipal	6.9	7.6	8.4	8.4
Other	19.0	17.6	17.1	15.8
Total	66.8	61.2	57.3	54.5
Mortgages:				
Farm	8.0	9.0	10.3	10.8
Urban	10.1	11.1	11.6	12.4
	18.1	20.1	21.9	23.2
Policy Loans	10.7	12.3	13.7	14.6
Stocks:				
(a) Preferred	0.9	0.8	0.5	0.4
(b) Common	1.1	1.3	1.4	1.3
Real Estate	1.8	2.3	3.1	3.4
Other	.6	2.0	2.1	2.7
Grand total	100.00	100.00	100.00	100.00

Interest earned on net mean ledger assets as reported to Dominion Department of Insurance: 1942, 4.05%; 1941, 4.06%; 1940, 4.17%.

Consideration received from annuities: 1942, $1,572,452; 1941, $1,304,937.

Crown Life

The Crown Life Insurance Co. at the end of 1942 had over $262 millions of insurance in force, an increase of over $24 millions from the previous year.

New insurance written was $35.2 millions compared with $32.6 millions in the previous year.

The Crown Life, organized in 1900 under Dominion charter, began writing business in 1901 and has made rapid progress in recent years. It writes all regular lines of life insurance including a substantial volume of group as well as ordinary business.

The company operates outside Canada in Great Britain, Newfoundland, California, Michigan, Ohio, Washington, Hawaii, Puerto Rico, the West Indies and India.

The head office is in Toronto. At the end of 1942 it had total assets of $53.5 millions.

A feature of the annual statement for 1942 is the provision of a reserve for contingencies amounting to $700,000. This reserve, it is stated, has been established not to cover any known liability not otherwise covered in the statement, but as an additional safeguard to cover contingencies which might hereafter arise. It is, therefore, considered in the nature of additional surplus.

Officers—
Hon. G. Howard Ferguson, pres.; C. W. Somers, 1st vice-pres.; H. D. Burns, 2nd vice-pres.; H. R. Stephenson, gen. mgr.; R. T. Crouch, treas.; E. J. S. Brown, supt. of agencies; F. W. Hill, actuary; H. D. Delamere, medical officer; P. McDonald, secretary; J. D. Jamieson, mgr. of mtge. dept.; W. D. Stewart, asst. treas.; A. F. Williams, asst. supt. of agencies; I. M. Gilbert, agency supervisor; H. R. Lawson, asst actuary; J. N. Cunningham, legal officer; H. W. Kinnear, asst mgr. mortgage dept.; G. B. Somers, agency supervisor.

Directors—
Representing shareholders: Hon. G. Howard Ferguson, C. W. Somers, H. D. Burns, H. R. Stephenson, all of Toronto; G. A. Morson, Havana; G. O. Somers, Pasadena; Norman F. Wilson, Ottawa.
Representing policyholders: F. Erichsen-Brown, G. E. Spragge, W. F. Watkins, all of Toronto; Hon. E. L. Patenaude, Montreal.

Field of Operations—
Canada (all provinces); Great Britain; Newfoundland; the states of California, Michigan, Ohio and Washington, and the territory of Hawaii, U.S.A.; Puerto Rico, West Indies; India.

Capital—Authorized	$1.000,000
Subscribed	552.000
Paid in	278,440

Dividends Paid—Per annum, 12% cash.

Growth of Business Including Deferred Annuities

Year	Assets $	Business in Force ($ 000)	New Ins. Paid for ($ 000)
1912	1,233,901	10,016	3,292
1917	2,248,896	15,374	3,646
1922	4,789,563	34,460	7,551
1927	10,383,194	87,877	22,547
1932	17,892,631	137,181	19,615
1937	30,771,878	188,300	32,186
1938	34,433,027	203,340	32,455
1939	38,588,099	219,884	34,757
1940	42,906,745	233,154	32,043
1941	48,163,679	251,326	34,976
1942	53,485,690	276,627	37,315

Analysis of Invested Assets

	1942 %	1941 %	1940 %	1939 %
Bonds:				
Government	38.8	34.4	32.3	....
Municipal	4.3	5.0	5.7	....
Other	14.1	14.9	14.6	....
Total	57.2	54.3	52.6	....
Mortgages:				
Urban	25.7	27.1	27.7	....
Policy loans	9.8	10.9	12.1	....
Stocks:				
(a) Preferred	2.7	2.3	1.8	....
(b) Common	3.6	3.9	3.7	....
Real estate	1.0	1.5	2.1	....
GRAND TOTAL	100.0	100.0	100.0	....

Interest earned on net mean ledger assets as reported to Dominion department of insurance 1942, 4.45%; 1941, 4.63%.

Consideration received from annuities 1942 $749,610; 1941, $845,907.

Northern Life

Northern Life Assurance Co. of Canada wrote more than $6 millions of new business in 1942 and at Dec. 31, 1942, had total business in force of $56.2 millions, a gain of $3.7 millions on the year.

The company does a substantial volume of annuity business and if commuted values of annuities are added the total business in force at Dec. 31 last amounted to almost $58.2 millions.

The investment portfolio shows more than 39% in government bonds. New money received by the company having been invested in Victory Loans exclusively in 1942. Some 32.8% of total invested assets are in mortgages practically all on urban property. Policy loans have declined steadily for some years past.

The Northern Life Assurance Co. was incorporated in 1894 with head office at London, Ont. The bulk of its operations are carried on in Canada.

Officers—
R. G. Ivey, K.C., pres.; W. E. Robinson, vice-pres.; G. W. Geddes, F.A.S., gen. mgr; C. C. Martin, supt. of agencies; H. L. Sharpe, F.A.S., actuary; R. C. Balfour, sec.

Directors—
Representing shareholders—R. G. Ivey, Ray Lawson, J. E. McConnell, W. E. Robinson, F. A. McCormick, Septimus Thompson, M.D., all of London.
Representing policyholders—J. S. Moore, Major G. J. Ingram, J. G. Thompson, London.

Capital—Authorized	$1,000,000
Subscribed	1,000,000
Paid-up	250,000

Dividends to Shareholders — None being paid.

Growth of Business

Year	Assets $	Business in Force ($ 000)	New Ins. Paid for ($ 000)
1912	1,810,228	9,007	2,205
1917	3,090,779	12,437	3,298
1922	4,495,263	30,464	9,644
1927	6,288,065	44,821	17,037
1932	8,820,622	48,854	4,157
1937	10,322,735	46,382	*5,838
1938	10,969,692	48,620	6,047
1939	11,367,453	50,030	*5,495
1940	11,714,176	50,245	5,743
1941	12,244,265	52,714	5,498
1942	12,944,495	56,226	6,449

*Includes commuted value of deferred annuities.

Analysis of Invested Assets

	1942 %	1941 %	1940 %	1939 %
Bonds:				
Government	39.0	27.7	21.3	17.2
Municipal	3.4	5.7	6.9	5.0
Other	5.2	5.9	6.8	6.7
Total	47.6	39.3	35.0	28.9
Mortgages:				
Farm	0.3	0.4	0.4	0.3
Urban	32.5	35.1	34.8	37.6
Total	32.8	35.5	35.2	37.9
Policy loans	11.6	12.7	13.9	14.9
Stocks:				
(a) Preferred	1.0	0.8	0.8	1.0
(b) Common	4.0	4.2	5.0	4.8
Real estate	1.5	3.2	5.3	5.8
Other	1.5	4.2	4.8	6.7
GRAND TOTAL	100.0	100.0	100.0	100.0

Interest earned on net mean ledger assets as reported to Dominion Department of Insurance, 1942, 4.68%; 1941, 4.56%.

Consideration received from annuities, 1942, $77,204; 1941, $73,370.

Aetna Life

Over $163 millions of life insurance was in force with the Aetna Life Insurance Co. in Canada on Dec. 31, 1942. New insurance effected by the company in Canada during the year was $4.8 millions. This compared with $10.3 millions the previous year, the decline being due to a drop in group insurance. Total assets in Canada on Dec. 31, 1942, were $18.8 millions.

Aetna Life was organized, first as a branch of the Aetna Insurance Co. of Hartford in 1850, when it started business in both Canada and the United States. In 1853 it was incorporated under the laws of Connecticut.

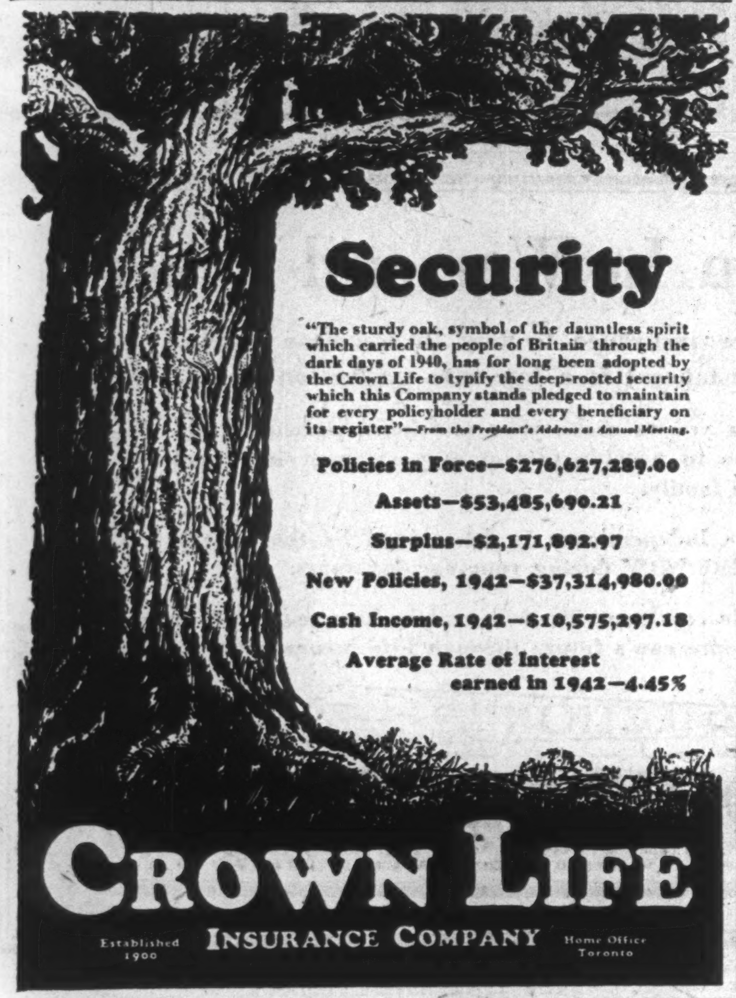
Business in force with the Aetna over its entire operations at the end of 1942 was $5.2 billions.

Head Office—Hartford, Conn.
Head Office for Canada—Montreal.
Chief Agent in Canada—E. J. Christmas.

Growth of Business in Canada

Year	Assets $	Business in Force ($ 000)	New Ins. Effected ($ 000)
1934	12,967,837	82,778	2,477
1935	13,860,656	84,606	3,882
1936	13,828,673	105,201	3,096
1937	14,286,601	115,466	4,541
1938	14,557,680	123,422	6,628
1939	15,697,762	132,496	6,313
1940	15,476,615	135,021	3,106
1941	17,140,696	150,972	10,356
1942	18,797,947	163,733	4,845

Interest earned on net mean ledger assets as reported to Dominion Department of Insurance 1942, 3.75%; 1941, 3.70%.



Every home with a child needs LIFE INSURANCE PROTECTION

How much money do you save each year? How long will it be until you have saved enough to be able to say "my family's future is *secure*"?

In many instances, the only way to immediately provide for future security is by Life Insurance. Through a Mutual Life of Canada policy you can create TODAY *a substantial estate* . . . *a life income* for your loved ones . . . *immediate cash* if required . . . and *security* for your own retirement, too.

There is a choice of Mutual Life of Canada policies to fit your needs, adapted to limited wartime incomes. Call or write your nearest Mutual Life representative now.

THE MUTUAL LIFE OF CANADA
Established 1869
HEAD OFFICE WATERLOO, CANADA

INSURANCE IN FORCE OVER $638,000,000

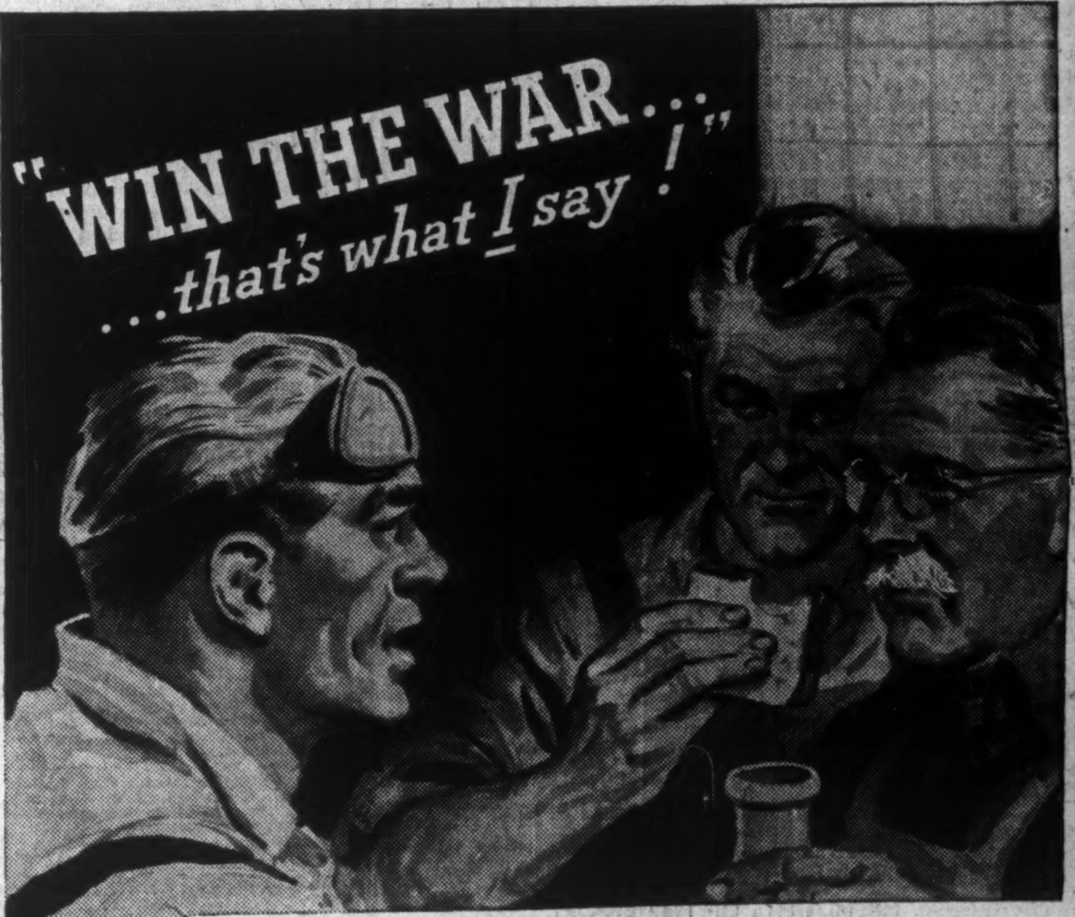
Simple and Sure

The greater the percentage of life insurance in a man's estate, the simpler the problem for his heirs.

Add to your estate through one of our low-premium policies.

The Prudential Insurance Company of America
Home Office, NEWARK, N.J.

Branch Offices in all leading Canadian cities.



JACK: *"I bought another War Savings Certificate today. It means cutting down a bit but it makes me feel that I have a real part in this scrap."*

HERB: *"Well, it's up to us to see that there's enough money to do things in a big way. I read that Canada has over a million men and women in this show!"*

BOB: *"Let's win the war, that's what I say. We've got a big job to do on the home front and part of it is sinking every last dollar we can into War Savings Certificates and Victory Bonds."*

FIRST in the minds of all of us today is the determination to win this war. Whatever the sacrifice or burden of responsibility, we must carry on to the end—to *Victory.*

Duty now makes two demands—*hard work* and *economy.* Let us conserve critical materials such as foods, metals and fats—be content with fewer luxuries in order to provide our men with the tools of victory. Get the war savings certificate habit and don't quit. Canada needs our dollars now.

Keep your life insurance in force. Your premiums are invested in Victory Bonds that are helping to win the war.
Send for free Vest Pocket Budgeting booklet designed to help you make the most of your income. You'll find it useful . . . *valuable.*

NORTH AMERICAN LIFE
ASSURANCE COMPANY
Head Office: TORONTO, ONT.

Imperial Life Assurance

Organized in 1896 with head office at Toronto, the Imperial Life Assurance Co. of Canada at the end of 1942 had total business in force of over $303 millions. It ranks among the eight largest life insurance companies in Canada, writing both ordinary and group insurance as well as annuity business. While it operates outside Canada, the bulk of its business is in the Dominion. The Imperial Life does a large annuity business and if this is included, business in force is $325 millions.

Total premium income in 1942 was over $9.9 millions.

During 1942, the company's bond investments increased from 68% of total invested assets to almost 72%. Holdings of government issues increased from 43% of the total to 48.4%, due to heavy investments in Dominion Government Victory Loans during the year.

Apart from Victory Loan and other government issues and public utility and industrial bonds, new money received by the company during the year was placed in preferred stocks of Canadian companies and in first mortgages on urban real estate. Policy loans have shown a steady decline in recent years.

The company made an analysis of the class of people buying insurance in 1942 and this shows that office workers were the largest buyers, accounting for 17.8% of total sales. Industrial and skilled workers followed very closely at 13.6%. In the different age groups, those between 20 and 29 were the largest buyers taking 33.8% of total sales. Those between 30 and 39 years of age took 31% of the total.

Officers—
J. F. Weston, president; S. J. Moore and F. P. Wood, vice-pres.; G. Cecil Moore, man. dir.; J. G. Parker, gen. man. and actuary; Donald Matheson, secty.; H. T. Roesler, treas.; G. H. Hunt, gen. supt. of agencies.

Directors—
Representing policyholders: S. H. Logan, Hon. Charles McCrea, K.C., H. H. Williams, G. Harrison Smith, all of Toronto; Hon. Donat Raymond, Montreal.
Representing shareholders: J. P. Bickell, Mark H. Irish, J. W. Mitchell, G. Cecil Moore, S. J. Moore, G. A. Morrow, Graham Morrow, J. F. Weston, F. P. Wood, all of Toronto; John S. Norris, Montreal.

Field of Operations—
Antigua, Bahamas, Barbados, Bermuda, British Guiana, British Honduras, Cuba, Dominica, Dominican Republic, Great Britain, Grenada, Guatemala, Haiti, Jamaica, Newfoundland, St. Kitts, St. Lucia, Trinidad, California, New York State, and all the provinces of Canada.

Capital—

Authorized	$1,000,000
Subscribed	1,000,000
Paid-up	1,000,000

Growth of Business

Year	Assets $	Business in Force ($ 000)	New Ins. Paid for ($ 000)
1915	11,591,483	48,966	8,485
1920	19,310,403	116,201	28,648
1925	35,047,398	195,068	32,225
1930	62,979,827	300,932	33,504
1935	75,163,593	279,339	21,867
1939*	91,815,796	280,082	21,393
1940*	96,177,799	282,892	20,390
1941*	100,684,636	289,895	23,523
1942*	105,883,994	303,310	26,253

*In previous years deferred annuities were included in the business in force and in new insurance paid for. If these were included in the 1942 figures, business in force would be $325,672,432, and new insurance $29,421,689.

Analysis of Invested Assets

	1942 %	1941 %	1940 %	1939 %
Bonds:				
Government	48.4	43.0	38.1	35.8
Municipal	5.5	6.2	7.3	7.6
Other	17.9	18.8	19.7	19.6
Total	71.8	68.0	65.1	63.0
Mortgages:				
Farm	1.6	1.8	2.0	2.2
Urban	6.8	7.3	8.6	9.9
Total	8.4	9.1	10.6	12.1
Policy loans	9.9	11.1	12.3	13.4
Stocks:				
(a) Preferred	1.3	1.3	1.3	1.3
(b) Common	3.2	3.6	3.8	3.7
Real estate	3.6	4.4	4.4	4.1
Other	1.8	2.5	2.5	2.4
GRAND TOTAL	100.0	100.0	100.0	100.0

Interest earned on net mean ledger assets as reported to Dominion department of insurance, 1942, 4.14%; 1941, 4.21%.

Consideration received from annuities, 1942, $1,159,433; 1941, $1,357,373.

La Sauvegarde

Insurance in force of $59.6 millions is shown by La Sauvegarde Life Assurance Co. at the end of 1942. New insurance effected during the year was over $9 milions.

Head office of La Sauvegarde is at Montreal, the company having been organized in 1903 with a Quebec charter. In 1911 it took out a Dominion charter. It operates only in Canada.

At Dec. 31, 1942, total assets, were $8.4 millions.

Officers—
Narcisse Ducharme, pres. & mgr.; L. M. Lymburner, 1st vice - pres.; Alphonse Milette, 2nd vice - pres.; Jean Pasquin, sec.; Pierre Camu, actuary; E. P. Benoit, medical director.

Directors—
Representing shareholders: Narcisse Ducharme, L. M. Lymburner, C. A. Roy, all of Montreal; Alphonse Milette, Montreal; Paul Drouin, K.C., Quebec; Hon. Gustave Lacasse, M.D., Tecumseh, Ont. Representing policyholders: R. R. Bachand, N.P., Waterloo, Que.; Adjutor Cote, N.P., Montreal; Arthur Vallee, K.C., Outremont.

Capital—Authorized	$2,000,000
Subscribed	1,192,000
Paid-up	232,440

Growth of Business

Year	Assets $	Business in Force ($ 000)	New Ins. Paid for ($ 000)
1935	4,980,518	28,297	6,338
1936	5,196,684	34,395	9,914
1937	5,404,158	39,685	9,789
1938	5,944,745	42,484	7,709
1939	6,457,452	44,611	6,556
1940	7,033,140	48,542	6,563
1941	7,863,410	54,159	9,217
1942	8,471,030	59,692	9,043

Analysis of Invested Assets

	1942 %	1941 %	1940 %	1939 %
Bonds:				
Government	18.0	13.0	8.8	5.9
Municipal	18.0	17.0	20.2	20.9
Other	17.0	15.0	16.0	17.6
Total	53.0	45.0	45.0	44.4
Mortgages:				
Farm	18.0	20.0	21.3	20.6
Policy loans	9.0	11.0	12.2	12.7
Stocks	4.0	5.0	5.7	5.8
Real estate	9.0	9.0	10.4	9.0
Other	7.0	10.0	5.4	7.5
GRAND TOTAL	100.0	100.0	100.0	100.0

Interest earned on net mean ledger assets as reported to Dominion department of insurance 1942, 4.36%; 1941, 4.54%.

Consideration received from annuities, 1942, nil; 1941, $4.07.

A
PICTURE OF PROGRESS

	Insurance in Force	Total Income	Assets
1912	$ 3,686,973	$ 46,389	$ 153,795
1922	17,136,609	563,833	1,819,270
1932	39,627,885	1,362,710	5,777,336
1942	64,557,667	2,052,607	10,040,948

HIGHLIGHTS OF 1942 REPORT

New Business	$11,208,197
Insurance in Force	64,557,667
Total Income	2,052,607
Policy Reserves	8,886,129
Assets	10,040,948

MONTREAL LIFE
INSURANCE COMPANY "The Friendly Company"
HEAD OFFICE - - MONTREAL

Providing Assurance to Canadians
Since Before Confederation

FIRE, LIFE, CASUALTY

1851 ROYAL INSURANCE COMPANY LIMITED 1943

Royal Insurance Company Limited
Life Department

1940 QUINQUENNIAL VALUATION

Total Assets	$153,589,057
Net Business in Force	$323,786,140

CANADIAN BRANCH

Total Assets, Dec., 1942	$ 8,033,677
Business in Force, Dec., 1942	$30,245,418

Head Office for Canada — MONTREAL, Que.
Policies Issued upon All Plans at Attractive Rates

Equitable Life

The Equitable Life Insurance Co. of Canada at Dec. 31, 1942, had insurance in force of $44 millions.

This company was formed originally in 1920 as the Ontario Equitable Life and Accident Insurance Company. With an Ontario charter. In 1936 a new company with the present name was organized with a Dominion charter and the business of the Ontario Equitable transferred to it. The head office is at Waterloo, Ont.

The company's investment portfolio shows almost 55% of the invested assets to be in mortgages with about 34% of the total being in National Housing Act mortgages with which it has had a very satisfactory experience.

New money placed during the year was invested in the two Victory Loans.

Officers—
M. J. Smith, pres.; J. C. Breithaupt and J. A. Martin, vice-pres.; M. J. Smith, gen. mgr.; E. H. McKinney, supt. of agencies; F. B. Relyea, F.A.S., actuary; F. D. Rueffer, treas.; H. E. Power, sec.; H. G. Mistele, asst. treas.; E. R. Batho, asst. actuary; J. R. Fisher, accountant; W. L. Hilliard, M.B., medical director; W. L. McGibbon, solicitor.

Directors—
M. J. Smith, Kitchener; J. C. Breithaupt, Kitchener; H. G. Bertram, T. M. Riddell, K.C., Stratford, Ont.; A. W. Briggs, K.C., H. Begg, Toronto; Hon. Harold MacPherson, St. John's, Nfld.; J. A. Martin, Kitchener; E. C. Mitchell, London, Ont.; C. S. Morton, M.B., Halifax; W. E. Payne, K.C., Red Deer, Alta.; E. K. Reiner, Wellesley, Ont.; J. M. Walton, Aurora, Ont.

Head Office—Waterloo, Ont.

Growth of Business

Year	Assets $	Business in Force ($ 000)	New Ins. Paid for ($ 000)
1932	8,238,516	46,700	2,872
1934	9,127,866	40,949	2,940
1935	9,726,741	40,965	*2,642
1937	11,050,079	41,250	3,678
1938	11,592,190	40,773	2,420
1939	12,160,415	41,062	2,956
1940	12,695,621	41,375	2,851
1941	13,181,259	42,220	3,239
1942	13,894,282	44,045	4,452

*Including annuities, etc.

Analysis of Invested Assets

	1942 %	1941 %	1940 %	1939 %
Bonds:				
Government	14.6	12.3	11.1	12.8
Municipal	4.4	4.9	6.6	6.9
Other	6.5	7.3	8.3	9.7
Total	25.5	24.5	26.1	29.4
Mortgages:				
Urban (regular)	20.2	23.7	26.7	...
" (N.H.A.)	34.6	31.4	24.4	...
Total	54.8	55.1	51.2	...
Policy loans	9.3	10.7	11.8	12.9
Stocks	.7	.9	.9	.9
Real estate	3.2	3.9	5.0	5.4
Other	6.5	4.9	5.0	5.3
GRAND TOTAL	100.0	100.0	100.0	....

Interest earned on net mean ledger assets as reported to Dominion Department of Insurance, 1942, 5.15%; 1941, 5.0%.

Consideration received from annuities, 1942, $32,840; 1941, $24,325.

Monarch Life

Monarch Life Assurance Co. was incorporated in 1904, with head office in Winnipeg. It began writing business in 1906 and at the end of 1942, had business in force, amounting to $69.6 millions.

It writes both participating and non-participating ordinary insurance. Total assets at the close of 1942 were $17.7 millions.

During 1942, holdings of Dominion Government securities were increased by more than $1.1 million. Of the total invested assets, 54.6% on Dec. 31 was in bonds. Of the total invested assets, 18% was in Dominion and Provincial issues.

Mortgage holdings have been steadily declining in recent years and on Dec. 31, 1942, were 18.4% of total investments compared with 21.4% the previous year.

Officers—
E. J. Tarr, K.C., LL.D., pres.; J. E. Woods, vice-pres.; G. C. Cumming, gen. mgr.; Walter Bartholomew, asst. gen. mgr.; Darrell Laird, F.A.S., actuary; G. J. Telfer, sec.

Directors—
Representing shareholders: R. J. Gourlay, W. L. Parrish, E. J. Tarr, K.C., G. H. Stewart, J. A. Flanders, W. T. Gwynn, all of Winnipeg.
Representing policyholders: Peter B. Lowe, D. H. Hudson, J. E. Woods, Winnipeg.

Capital—Authorized	$2,000,000
Subscribed	996,600
Paid-up	176,320

Dividends Paid—$1.20 per annum.

Growth of Business

Year	Assets ($ 000)	*Business in Force ($ 000)	*New Ins. Paid for ($ 000)
1928	8,045	57,542	8,280
1932	10,692	56,347	4,903
1937	13,400	55,632	‡7,815
1938	14,094	56,962	7,042
1939	15,008	59,231	7,580
1940	15,706	61,309	7,713
1941	16,659	65,082	8,199
1942	17,769	69,603	8,657

‡New business placed.
*Including deferred annuities prior to 1937.

Analysis of Invested Assets

	1942 %	1941 %	1940 %	1939 %
Bonds:				
Government	18.0	15.0	9.9	6.8
Municipal	...	...	...	...
Other	36.6	34.5	33.1	32.5
TOTAL	54.6	49.5	43.0	39.3
Mortgages:				
Farm	12.4	14.0	15.7	16.8
Urban	6.0	7.4	8.7	9.5
	18.4	21.4	24.4	26.3
Policy Loans	10.0	11.5	12.8	14.8
Stocks:				
(a) Preferred	6.6	6.7	7.2	7.2
(b) Common	6.4	6.3	6.0	4.7
Real Estate	3.0	3.8	4.8	7.2
Other	1.0	.8	1.8	1.5
GRAND TOTAL	100.0	100.0	100.0	100.0

Interest earned on net mean ledger assets as reported to Dominion Department of Insurance: 1942: 5.26%; 1941, 5.17%; 1940, 5.21%.

Consideration received from annuities: 1942, $194,202; 1941, $227,512.

Standard Life

Standard Life Assurance Co. of Edinburgh, Scotland, was established in 1825 and began writing business in Canada in 1833. In 1925 when just 100 years old it was reorganized on a mutual basis.

Total figures for the entire company's business in 1942 are not available, but the Canadian business showed insurance in force of $38.5 millions. Assets in Canada on Dec. 31, 1942, were over $18 millions.

Officers and Directors—(Canadian branch only)
W. A. Bog, Walter Molson, A. F. Baillie, J. M. Fraser; directors, W. H. Clark Kennedy, mgr.; E. L. Armstrong, agency mgr.; Robert Thomson, sec.

Head Office—Edinburgh.
Head Office for Canada—Montreal.

Growth of Business in Canada

Year	Assets $	Business in Force ($ 000)	New Ins. Effected* ($ 000)
1935	27,136,140	31,087	3,331
1936	27,363,940	33,155	3,588
1937	28,924,059	35,506	3,870
1938	29,311,862	37,403	3,700
1939	28,172,842	38,461	3,118
1940	18,721,250	38,025	2,221
1941	18,316,703	37,807	2,319
1942	18,794,956	38,541	1,784

*On basis required by Dominion Dept. of Insurance, i.e., paid for exclusive of increases, revivals annuities.

Confederation Life

Confederation Life Association with $470 millions of life insurance in force at the end of 1942 ranks among the outstanding life insurance organizations of Canada.

New insurance effected during the year was over $52 millions, both new insurance and total insurance in force showing substantial gains over the previous year.

Although over half the company's business is in Canada, it also operates extensively in Great Britain and the states of New York and Michigan, Hawaii and Puerto Rico, Curacao, Mexico, Bermuda, Cuba, the West Indies generally, Central and South America and China.

The company does a substantial annuity business. Consideration rereceived from annuities in 1942 being over $2 millions.

The company's invested assets show a preponderance of bonds, government issues being 47.3% of the whole. New money received by the association in 1942 was invested in government bonds.

The company as well as writing life insurance and annuities, also does a substantial group accident and sickness business.

Officers—
C. S. Macdonald, pres.; R. S. Waldie and Col. J. F. Michie, vice-pres.; V. R. Smith, gen. mgr.; J. H. Birkinshaw, actuary; C. D. Devlin, J. K. Macdonald, J. G. Godsoe, asst. gen. managers; J. L. McLachlin, sec.; B. T. Holmes.

Directors—
Representing shareholders: C. S. Macdonald, C. R. Dent, J. E. Ganong, F. Grenville Rolph, W. C. Laidlaw, R. V. Le Sueur, V. R. Smith, all of Toronto; P. A. Thomson, Montreal.
Representing policyholders: R. S. Waldie, Col. J. F. Michie, A. C. Matthews, A. F. White, all of Toronto.

Field of Operations—
Canada, Newfoundland, New York State, Michigan, Hawaii and Puerto Rico; Mexico, Bermuda, Cuba, Curacao, Jamaica, Trinidad, Dominican Republic, British Honduras, Guatemala, El Salvador, Canal Zone, Colombia, Great Britain, China.

Capital—Authorized	$1,000,000
Subscribed	1,000,000
Paid-up	300,000

Dividends Paid on Capital Stock—$6 per annum.

Growth of Business

Year:	Assets ($ 000)	Business in Force ($ 000)	New Ins. Paid for ($ 000)
1912	17,265	63,764	12,248
1917	22,329	82,274	15,638
1922	33,535	154,813	26,688
1927	57,435	258,466	50,872
1932	92,232	374,071	43,465
1937	120,673	411,141	45,369
1938	125,835	‡397,845	‡39,425
1939	†129,758	‡406,656	‡37,799
1940	†135,044	‡419,848	‡37,217
1941	†140,888	‡439,357	‡46,123
1942	148,638	‡469,917	‡52,183

†As reported to Ins. Dept. excluding accident and sickness branch.
‡Excluding annuities, i.e. on government statement basis.

Analysis of Invested Assets

	1942 %	1941 %	1940 %	1939 %
Bonds:				
Government	47.3	42.1	38.9	37.1
Municipal	14.9	16.7	18.2	19.1
Other	8.7	9.9	9.7	10.3
Total	70.9	68.7	66.8	66.5
Mortgages:				
Farm	.7	.8	.9	1.1
Urban	9.6	10.3	11.2	11.7
Total	10.3	11.1	12.1	12.8
Policy loans	8.0	8.8	9.6	9.9
Stocks:				
(a) Preferred	2.2	2.3	5.8	5.8
(b) Common	3.7	3.8	...	...
Real estate	3.4	3.7	3.7	3.3
Other	1.5	1.6	2.0	1.7
GRAND TOTAL	100.0	100.0	100.0	100.0

Interest earned on net mean ledger assets as reported to Dominion Department of Insurance, 1942, 4.32%; 1941, 4.46%.

Consideration received from annuities, 1942, $2,037,365; 1941, $2,175,545.

London Life Insurance

London Life Insurance Co. in 1942 showed an increase in business in force of over $94 millions, bringing the total to $863.8 millions, which put it in second place among Canadian life insurance companies.

New insurance written during the year totalled $130.8 millions, compared with $111.8 millions in the previous year.

The London Life was originally organized in 1874 with an Ontario charter. In 1884 a Dominion charter was taken out. Three years later the company began writing industrial insurance which now forms a substantial part of the company's business. It also writes ordinary and group life and group accident and sickness insurance. Almost all the company's business is written in Canada. Analysis of the investment portfolio shows 63% of total invested assets to be in bonds, 54.8% of the total being government issues. During 1942 the proportion of government bonds was increased substantially by purchases of the two Victory Loans.

Mortgage investments and policy loans were both lower. By percentages, new money received in 1942 was placed at 88% in bonds and debentures; 7% in mortgages and 5% in policy loans.

Officers—
J. Edgar Jeffery, pres.; Robert H. Reid, man. dir.; J. D. Buchanan, asst. gen. mgr. and chief actuary; O. D. Newton, asst. gen. mgr. and sec.; J. G. Stephenson, asst. gen. mgr. and director of agencies; J. T. Bowman, M.D., med. dir.; J. A. Campbell, actuary; J. H. C. Graham, publicity executive.

Directors—
Representing shareholders—J. E. Jeffery, C. L. Jeffery, Joseph Jeffery, Archibald McPherson, R. H. Reid, J. E. Smallman, all of London, Ont. Representing policyholders—T. W. Baker, Toronto; C. H. Ivey, London, Ont.; Lebert H. Jones, London, Ont.

Field of Operations—
Canada.

Capital—Authorized	$1,000,000
Subscribed	500,000
Paid-up	500,000

Dividends Paid on Capital Stock—Rate in 1942 is 20% per annum payable quarterly.

Growth of Business

Year:	Assets $	*Business in Force ($ 000)	New Ins. Paid for ($ 000)
1912	4,059,376	23,265	7,786
1917	8,050,269	50,787	14,539
1922	19,234,188	129,682	33,228
1927	44,068,930	295,906	80,670
1932	77,558,313	471,955	95,684
1937	117,445,684	574,248	88,554
1938	126,476,113	607,621	90,787
1939	134,970,839	643,316	87,236
1940	143,814,578	698,098	100,023
1941	154,805,428	769,214	111,826
1942	168,814,441	863,885	130,838

*After deducting reinsurance.

Analysis of Invested Assets

	1942 %	1941 %	1940 %	1939 %
Bonds:				
Government	54.8	47.0	42.6	37.9
Municipal	4.3	4.9	5.3	5.4
Other	3.9	4.3	4.6	4.3
Total	63.0	56.2	52.5	47.6
Mortgages:				
Farm	.3	.5	.4	.6
Urban	25.2	29.1	31.8	33.9
Total	25.5	29.6	32.2	34.5
Policy loans	9.0	10.1	11.0	11.9
Stocks:				
Common	1.0	1.2	1.4	1.4
Real estate	1.1	1.6	2.4	2.8
Other	.4	1.3	.5	1.8
GRAND TOTAL	100.0	100.0	100.0	100.0

Interest earned on net mean ledger assets as reported to Dominion department of insurance 1942, 4.53%; 1941, 4.68%.

Consideration received from annuities, 1942, $596,260; 1941, $520,228.

Sovereign Life

Total business in force of $41.7 millions is reported by the Sovereign Life Assurance Co. of Winnipeg at Dec. 31, 1942. This was an increase of about $4.1 millions over the previous year.

Sovereign Life was incorporated in 1902, the first head office being at Toronto. In 1912 head office was moved to Winnipeg and the company expanded rapidly in the West.

Total assets at Dec. 31, 1942, amounted to $9.3 millions, up about $700,000 from the previous year. The company writes ordinary insurance, and also does a substantial volume of annuity business. The investment portfolio shows 20% of total invested assets to be in government bonds. Other bonds, including municipals and miscellaneous issues, bring total bond investments to about 51% of total investments. Mortgages and policy loans have decreased in recent years.

Officers—
W. Sanford Evans, pres.; E. W. Montgomery, M.D., William Whyte, vice-presidents; M. D. Grant, F.I.A., man. dir.; John Turnbull, F.A.S., actuary; Ernest Atkins, sec.; J. J. Douglas, treas.; H. M. Meiklejohn, supt. of agencies; E. W. Montgomery, M.D., medical dir.; J. W. Taylor, chief accountant.

Directors—
Representing shareholders: E. W. Montgomery, M.D., John Martin, John W. Horn, Roy W. Milner, M. D. Grant, all of Winnipeg; C. D. Grayson, Moose Jaw. Representing policyholders: E. E. Sharpe, K.C., W. Sanford Evans, LL.D., William Whyte, all of Winnipeg.

Field of Operations—
Ontario, Quebec, Manitoba, Saskatchewan, Alberta, British Columbia and New Brunswick.

Capital—Authorized	$1,000,000
Subscribed	840,600
Paid-up	209,995

Dividends Paid on Capital Stock—$1.25 per annum.

Growth of Business

Year	Assets $	Business in Force ($ 000)	New Ins. Paid for ($ 000)
1912	945,739	3,850	831
1917	1,578,841	7,627	1,780
1922	2,474,693	16,485	2,621
1927	4,235,835	23,571	2,985
1932	5,978,885	26,025	2,916
1937	6,775,436	30,510	6,121
1938	7,169,820	31,518	5,467
1939	7,655,351	32,526	5,128
1940	8,020,219	34,587	5,629
1941	8,644,043	*37,693	*6,227
1942	9,318,960	41,709	7,038

*Includes deferred annuities.

Analysis of Invested Assets

	1942 %	1941 %	1940 %	1939 %
Bonds:				
Government	20.0	16.9	13.0	12.3
Municipal	9.5	9.6	10.2	10.3
Other	21.3	18.4	16.6	15.1
Total	50.8	44.9	39.8	37.7
Mortgages—				
Farm	7.9	9.1	10.3	11.7
Urban	6.9	8.4	10.4	11.5
	14.8	17.5	20.7	23.2
Policy loans	7.7	9.2	10.4	10.9
Stocks:				
(a) Preferred	6.8	7.1	7.3	7.2
(b) Common	8.5	9.2	9.3	9.2
Real estate	9.7	10.3	11.0	10.3
Other	1.7	1.8	1.5	1.5
GRAND TOTAL	100.0	100.0	100.0	100.0

Interest earned on net mean ledger assets as reported to Dominion Department of Insurance 1941, 5.14%; 1940, 5.40%.

Consideration received from annuities, 1942, $259,321; 1941, $254,793.

La Laurentienne

La Laurentienne Life Assurance Co. of Levis, Que., began operations Feb. 4, 1939.

On Dec. 31, 1942, it had total business in force of $10.3 millions of which $9 millions was ordinary and over $1 million group.

Officers—
J. A. Tardif, president and managing director; Philippe Méthé, 1st vice-pres.; J. H. Rene de Cotret, 2nd vice-pres.; Bernard Benoit, supt. and assist. general manager; J. P. Guimont, actuary; René Laflamme, sec.-treas.; Paul Racicot, medical director; J. H. Bertrand, assistant medical director.

Executive committee—
J. A. Tardif, Philippe Méthé, L. A. Dumas, Henri F. Methot, Paul Champoux.

Directors—
J. A. Tardif, M. D. Levis, Philippe Méthé, Quebec; J. H. Rene de Cotret, Three Rivers J. H. Duchesne, Bagotville; L. A. Dumas, Québec; Gérard Lacourcière, Québec; Henri F. Méthot, N.P., Québec; Félix Racicot, I.C., Montréal; Paul Champoux, Québec; Paul Carette, M.D., Campbellton; Rosaire Beaudoin, C.R., St.-Joseph de Beauce; J. C. A. St.-Onge, Amos; V. A. de Billy, C.R., Lévis.

Head Office—
Lévis, Québec.

Growth of Business

	Business in force $	New ins. effected $
1940	4,383,888	2,855,218
1941	6,688,791	2,869,757
1942	10,318,007	3,982,318

Analysis of Invested Assets

	1942 %	1941 %	1940 %	1939 %
Bonds:				
Government	69.4	57.3	57.3	63.7
Municipal	4.5	....	....	....
Other	8.1	.5	.6	.7
Total	82.0	57.8	57.9	64.4
Policy loans	.3	1.1	....	....
Real estate	6.6	16.5	20.5	23.4
Other	11.1	24.6	21.6	12.2
GRAND TOTAL	100.0	100.0	100.0	100.0

Occidental Life

The Occidental Life Insurance Co., of California, at Dec. 31, 1942, showed substantial increases in business in force and total assets in Canada. Business in force in Canada was $37.5 millions compared with $31.2 millions the year before. Total assets in this country were $2.3 millions. New insurance effected during the year was about the same as the previous year at slightly over $8 millions.

The company which has its head office at Los Angeles, Cal., began business in 1906. In 1928 it obtained a license to do business in Canada.

Total business in force with the entire company at Dec. 31, 1942, was $733 millions, an increase of more than $100 millions over the previous year. New insurance effected during 1942 by the company as a whole was $78.6 millions.

Total assets of the whole company were $89.7 millions, up $9.8 millions from the previous year. Payments to policyholders during the year increased 11.4% to $8.9 millions.

Home Office—Los Angeles, California.
Head Office in Canada—London, Ont.
General Manager for Canada—W. Lockwood Miller.

Growth of Business in Canada

Year	Assets $	Business in Force $	New Ins. Paid for $
1936	799,255	8,737,000	2,732,000
1937	964,109	12,118,000	4,736,000
1938	1,134,632	16,393,000	6,256,000
1939	1,226,635	23,126,000	9,807,000
1940	1,491,893	25,318,000	5,778,000
1941	1,882,310	31,261,164	8,652,766
1942	2,280,447	37,536,589	8,029,506

Toronto Mutual

The Toronto Mutual Life Insurance Co. at the end of 1942 had total business in force of $11.4 millions compared wtih $9.8 millions the year before.

This company was originally organized in 1898 as the life insurance department of the Ancient Order of Foresters. In 1934 it was incorporated as the Ancient Foresters Mutual Insurance Co., and in 1939 the present name was adopted. In the last eight years its insurance in force has about doubled.

The company writes ordinary and industrial insurance and operates only in Canada, with head office at Toronto.

In 1942, 80% of the new money received was invested in Victory Bonds, and the balance in provincial corporation bonds, preferred stocks and a few mortgages.

Officers—
J. W. B. Ford, pres.; H. W. B. Boynton, vice-pres.; C. G. Dynes, K.C., chm. of board; L. G. Nicholls, sec.; J. D. Buchanan, consulting actuary; W. W. Dow, medical examiner; C. K. F. West, registrar.

Directors—
J. W. B. Ford, H. W. B. Boynton, C. G. Dynes, K.C., L. G. Nicholls, E. L. Box, W. R. Davis, T. Collins, J. A. Harcourt, M.D., A. W. Turner, Ph.D.

Growth of Business

Year	Assets $	Business in Force ($ 000)	New Ins. Paid for ($ 000)
1935	1,297,650	5,836	1,953
1936	1,463,888	6,327	2,053
1937	1,540,173	7,090	1,934
1938	1,602,601	7,528	2,024
1939	1,642,256	7,973	1,742
1940	1,672,806	8,832	1,938
1941	1,753,165	9,813	2,143
1942	1,870,886	11,417	2,651

Analysis of Invested Assets

	1942 %	1941 %	1940 %	1939 %
Bonds:				
Government	34.5	28.8	22.3	18.5
Municipal	17.9	19.4	22.6	24.2
Other	6.5	5.7	4.6	4.9
Total	58.9	53.9	49.4	47.6
Mortgages:				
Urban	24.4	25.4	26.0	25.6
Policy loans	9.6	10.5	11.2	11.7
Stocks:				
(A) Preferred	1.1	0.3	0.3	0.3
(b) Common	3.5	4.2	3.6	3.2
Real estate	2.5	5.7	9.5	11.6
GRAND TOTAL	100.0	100.0	100.0	100.0

Interest earned on net mean ledger assets as reported to Dominion department of insurance 1942, 4.78%; 1941, 4.82%.

SOVEREIGN LIFE
ASSURANCE COMPANY
OF CANADA
HEAD OFFICE WINNIPEG
INCORPORATED AND LICENSED BY THE DOMINION GOVERNMENT

Report for 1942

To our policyholders and the public we report the following achievements in 1942:

ASSETS: $89,760,401 at year's end. Increase during 1942 was $9,827,939. The growth 12.3%

LIFE INSURANCE IN FORCE: $733,332,231 at year's end. The increase during 1942 was $104,073,506. The growth 16.5%

ACCIDENT & HEALTH PREMIUMS IN FORCE: $2,409,455 at year's end. The growth 52.5%

TOTAL PREMIUM INCOME: Increased to $18,691,541. The growth 12.6%

PAYMENTS TO POLICYHOLDERS: Increased to $8,964,163. The growth 11.4%

More than 650,000 persons are insured under Life, Accident & Health and Annuity contracts with Occidental Life. They enjoy in the fullest the meaning of the Company's institutional pledge:

"More Peace of Mind Per Premium Dollar"

CANADIAN HEAD OFFICE
OCCIDENTAL LIFE
LONDON CANADA
W. Lockwood Miller — General Manager
Agency Inquiries Invited

Protection In War and Peace

The proper insurance to buy in war-time (under average circumstances) is a low rate protection policy.

This enables you to make your war bond purchases and at the same time to provide maximum permanent insurance security for your family.

Their future independence is determined by the savings you can accumulate NOW during your earning years.

An Equitable representative will explain how economically you can assure tomorrow's future through Life Insurance.

PROTECTION
THE EQUITABLE LIFE
INSURANCE COMPANY OF CANADA
HEAD OFFICE — WATERLOO, ONTARIO

"I've learned the value of PREPAREDNESS"

"ONE sure thing that my training as an Air Raid Warden has taught me is the importance of being prepared. I don't know that enemy bombs will ever drop in my sector. I do know that only preparedness can prevent unnecessary suffering if they do.

"It's a lesson that has made me think. Wartime threats to my home and loved ones will pass. The chance that my family may someday be left to carry on alone will remain. Without something to replace my earnings, they'd be in a tight spot indeed!

"So I've done the only thing a man in my position can do. I had a Life Insurance representative work out a plan, within my means, that would give them a guaranteed monthly income in case I die unexpectedly.

"It's a plan that I can expand as my income increases and that's what I aim to do. I've removed a threat to my loved ones that is just as real as high explosives and incendiaries and probably far less remote. I'll never be caught without as much Life Insurance as I can afford."

THE MANUFACTURERS LIFE INSURANCE COMPANY
Established 1887
HEAD OFFICE TORONTO, CANADA

Record of Life Insurance Companies in Canada

Thousands of Dollars (000 omitted from all Figures)

Total Operations

Company	Year	Insurance in Force: Ordinary $	Industrial $	Group $	Total $	Policy Payments: Live P'holders $	Death Claims $	New Insurance Effected: Ordinary $	Industrial $	Group $	Total $	Total †Premium Income $
Aetna	1942	2,020,754	......	3,209,773	5,230,527	36,513	42,007	......	......	......	......	114,859
	1941	......	......	......	4,856,799	......	......	......	......	......	433,119	......
Canada	1942	708,643	......	117,098	825,741	15,486	8,785	47,114	......	25,874	72,988	25,438
	1941	699,618	......	115,852	815,470	15,779	7,177	40,941	......	24,912	65,853	25,719
Commercial*	1942	10,160	......	1,964	12,124	163	60	2,145	......	280	2,425	346
	1941	9,542	......	2,035	11,577	183	48	3,475	......	227	3,702	326
Confederation	1942	422,175	......	47,742	469,917	7,204	3,470	48,669	......	3,514	52,183	16,058
	1941	395,815	......	43,542	439,357	8,061	3,597	42,132	......	2,991	45,123	15,650
Continental	1942	48,429	......	47	48,476	459	192	6,496	......	......	6,496	1,339
	1941	44,632	......	51	44,683	523	228	5,093	......	......	5,093	1,280
Crown	1942	260,207	......	1,937	262,144	1,652	1,208	35,208	......	47	35,255	7,750
	1941	236,245	......	1,484	237,729	1,884	1,224	32,482	......	169	32,651	7,989
Dom. of Canada	1942	18,187	......	200	18,387	68	37	3,176	......	......	3,176	440
	1941	15,711	......	245	15,956	72	45	2,184	......	......	2,184	403
Dominion	1942	203,936	......	7,350	211,286	2,066	1,182	24,353	......	478	24,831	5,531
	1941	189,805	......	6,906	196,711	2,342	1,043	18,592	......	243	18,835	5,467
T. Eaton*	1942	35,549	......	......	35,549	379	134	3,114	......	......	3,114	960
	1941	33,869	......	......	33,869	348	188	3,014	......	......	1,014	924
Empire	1942	44,418	......	35	44,453	260	479	6,125	......	28	6,153	1,197
	1941	41,043	......	24	41,067	223	474	5,119	......	9	5,128	1,106
Equitable (Can.)*	1942	44,045	......	......	44,045	515	240	4,452	......	......	4,452	1,101
	1941	42,220	......	......	42,220	556	310	3,239	......	......	3,239	1,052
Excelsior*	1942	129,761	3	......	129,764	1,338	660	17,274	......	......	17,274	3,546
	1941	118,346	4	......	118,350	1,573	658	13,295	......	......	13,295	3,227
Fidelity*	1942	8,795	......	84	8,879	98	29	1,321	......	......	1,321	229
	1941	8,158	......	84	8,242	132	31	1,021	......	......	1,021	217
Great-West	1942	592,668	......	63,731	656,399	7,580	4,855	52,401	......	7,742	60,143	17,831
	1941	567,696	......	54,997	622,693	8,474	4,566	43,207	......	1,353	44,560	17,460
Imperial	1942	294,971	......	8,339	303,310	4,116	2,669	25,864	......	389	26,253	9,942
	1941	282,476	......	7,419	289,895	4,829	2,268	20,231	......	686	20,917	9,968
Industrial*	1942	20,342	27,827	336	48,505	138	147	9,595	8,231	85	17,911	1,309
	1941	12,141	21,766	311	34,218	136	105	6,030	6,785	384	13,199	1,327
La Laurentienne*	1942	9,165	......	1,153	10,318	1	19	3,891	......	91	3,982	208
	1941	5,679	......	1,010	6,689	......	5	2,870	......	......	2,870	151
La Sauvegarde*	1942	59,691	......	......	59,691	373	194	9,043	......	......	9,043	1,581
	1941	54,159	......	......	54,159	349	234	9,218	......	......	9,218	1,436
London	1942	526,377	280,963	56,545	863,885	7,180	3,159	67,685	58,618	4,535	130,838	21,809
	1941	476,094	241,720	51,400	769,214	7,551	2,986	56,085	52,377	3,363	111,825	19,767
Manufacturers	1942	632,964	......	11,168	644,072	6,996	4,125	65,768	......	189	65,957	23,756
	1941	594,627	......	11,477	606,104	8,837	4,515	54,578	......	69	54,648	26,103
Maritime††	1942	20,951	......	279	21,230	63	91	2,657	......	299	2,956	575
	1941	19,205	......	148	19,353	65	59	1,911	......	66	1,977	523
Metropolitan	1942	13,571,194	7,950,080	5,346,402	26,867,676	326,843	181,237	1,114,413	587,398	349,203	2,051,014	806,049
	1941	12,915,903	7,698,263	4,819,060	25,433,226	366,435	177,733	1,144,478	649,357	218,205	2,012,040	793,756
Monarch*	1942	69,603	......	......	69,603	706	357	8,657	......	......	8,657	1,836
	1941	65,062	......	......	65,062	729	265	8,199	......	......	8,199	1,789
Montreal	1942	54,819	......	9,739	64,558	444	197	8,447	......	944	9,391	1,593
	1941	50,096	......	9,284	59,380	570	216	8,974	......	916	9,890	1,542
Mutual and Citizens‡	1942	......	......	......	......	......	......	......	......	......	......	......
	1941	......	......	......	478,933	12,237	5,353	29,742	......	......	29,742	......
Mutual of Canada	1942	608,940	......	29,586	638,526			50,812	......	11,143	61,955	18,921
	1941	581,078	......	28,286	609,364	......	......	......	......	......	......	18,413
National	1942	67,137	......	2,443	69,580	614	415	8,038	......	......	8,038	1,654
	1941	62,888	......	2,187	65,075	701	447	6,590	......	......	6,590	1,547
New York	1942	7,131,482	......	......	7,131,482	113,732	66,261	407,569	......	......	407,569	247,928
	1941	7,013,883	......	......	7,013,883	130,574	70,488	450,366	......	......	45,366	251,937
North American	1942	252,881	......	4,686	257,567	3,449	1,759	30,156	......	1,116	31,272	8,224
	1941	235,050	......	3,222	238,272	3,937	1,391	24,694	......	497	25,191	7,835
Northern	1942	55,684	......	2,510	58,194	466	296	6,042	......	......	6,042	1,441
	1941	51,830	......	2,643	54,473	624	251	5,245	......	24	5,269	1,400
Occidental	1942	475,235	......	258,097	733,332	2,704	4,197	70,130	......	8,470	78,601	16,727
	1941	449,209	......	180,049	629,258	2,780	3,303	78,371	......	51,039	129,410	14,176
Prudential (Eng.)‡	1942	......	......	......	......	......	......	......	......	......	......	......
	1941	1,465,567	3,207,247	......	4,672,814	93,670	58,970	124,020	285,784	......	409,804	198,250
Prudential of America	1942	......	......	......	......	......	......	......	......	......	......	......
	1941	......	......	......	19,540,175	......	......	......	......	......	2,118,259	......
Royal Insurance‡	1942	......	......	......	......	......	......	......	......	......	......	......
	1941	......	......	......	......	......	......	......	......	......	15,975	......
Sovereign*	1942	41,709	......	......	41,709	474	180	7,038	......	......	7,038	1,145
	1941	37,693	......	......	37,693	477	150	6,227	......	......	6,227	1,041
Standard‡	1942	......	......	......	......	......	......	......	......	......	......	......
	1941	......	......	......	......	......	......	......	......	......	......	......
Sun	1942	2,502,540	......	541,369	3,043,909	52,317	25,368	154,896	......	46,341	201,237	106,742
	1941	2,468,739	......	503,008	2,971,747	61,393	26,920	159,349	......	27,693	187,042	112,575
Toronto Mutual*	1942	3,650	7,767	......	11,417	90	52	500	2,152	......	2,652	347
	1941	3,343	6,470	......	9,813	89	60	297	1,845	......	2,142	298
Travelers	1942	......	......	......	5,763,279	......	......	......	......	......	563,082	109,980
	1941	......	......	......	679,838	......	......	......	......	......	469,500	107,576
Union Mutual	1942	102,622	......	......	102,622	1,170	1,188	12,731	......	......	12,731	3,545
	1941	96,832	......	......	96,832	1,007	1,069	11,976	......	......	11,976	3,566
Western*	1942	8,375	......	......	8,375	81	32	2,256	......	......	2,256	232
	1941	7,304	......	......	7,304	73	52	2,002	......	......	2,002	194

Canadian Operations

Company	Year	Insurance in Force: Ordinary $	Industrial $	Group $	Total $	Policy Payments: Live P'holders $	Death Claims $	New Insurance Effected: Ordinary $	Industrial $	Group $	Total $	Total †Premium Income $
Aetna	1942	38,977	......	124,756	163,733	495	1,131	2,965	......	1,880	4,845	2,978
	1941	38,703	......	112,270	150,973	682	999	2,154	......	8,201	10,355	2,066
Canada	1942	334,543	......	110,097	444,640	5,169	4,972	30,930	......	24,363	55,293	12,525
	1941	321,904	......	108,267	430,171	5,778	4,013	23,286	......	23,521	46,807	13,127
Commercial*	1942	10,160	......	1,964	12,124	163	60	2,145	......	280	2,425	346
	1941	9,540	......	2,035	11,577	183	48	3,474	......	227	3,702	326
Confederation	1942	245,493	......	42,639	288,132	3,408	2,113	29,179	......	2,865	32,044	8,163
	1941	231,746	......	39,024	270,770	3,947	2,079	24,263	......	2,019	26,282	7,627
Continental	1942	48,399	......	47	48,446	459	191	6,495	......	......	6,495	1,338
	1941	44,590	......	51	44,641	523	228	5,082	......	......	5,082	1,277
Crown	1942	166,761	......	1,769	168,530	1,034	815	24,141	......	......	24,141	4,304
	1941	150,087	......	1,360	151,447	1,115	787	20,078	......	140	20,218	4,034
Dom. of Canada	1942	16,595	......	200	16,795	64	33	2,881	......	......	2,881	385
	1941	14,319	......	245	14,564	67	38	1,986	......	......	1,986	350
Dominion	1942	169,346	......	7,068	176,414	1,572	1,004	18,000	......	478	18,478	4,368
	1941	160,240	......	6,640	166,880	1,928	785	13,320	......	243	13,563	4,235
T. Eaton*	1942	35,549	......	......	35,549	379	134	3,114	......	......	3,114	960
	1941	33,869	......	......	33,869	348	188	3,014	......	......	3,014	924
Empire	1942	44,127	......	35	44,162	250	450	6,125	......	28	6,153	1,172
	1941	40,701	......	24	40,725	221	449	5,117	......	9	5,126	1,066
Equitable (Can.)*	1942	44,045	......	......	44,045	515	240	4,452	......	......	4,452	1,101
	1941	42,220	......	......	42,220	556	310	3,239	......	......	3,239	1,052
Excelsior*	1942	129,761	3	......	129,764	1,338	660	17,274	......	......	17,274	3,546
	1941	118,346	4	......	118,350	1,573	658	13,295	......	......	13,295	3,227
Fidelity*	1942	8,795	......	84	8,879	98	29	1,321	......	......	1,321	229
	1941	8,158	......	84	8,242	132	31	1,021	......	......	1,021	217
Great-West	1942	466,853	......	37,473	504,326	6,587	3,840	38,498	......	7,087	45,585	13,603
	1941	450,779	......	29,175	479,954	7,397	3,615	29,497	......	704	30,201	13,296
Imperial	1942	226,180	......	5,858	232,038	2,953	1,936	20,300	......	389	20,689	7,087
	1941	215,777	......	4,947	220,724	3,391	1,518	16,161	......	481	16,642	7,013
Industrial*	1942	20,342	27,827	336	48,505	138	147	9,595	8,231	85	17,911	1,309
	1941	12,141	21,766	311	34,218	136	105	6,030	6,785	384	13,199	1,327
La Laurentienne*	1942	9,165	......	1,153	10,318	1	19	3,891	......	91	3,982	208
	1941	5,679	......	1,010	6,689	......	5	2,870	......	......	2,870	151
La Sauvegarde*	1942	59,691	......	......	59,691	373	194	9,043	......	......	9,043	1,581
	1941	54,159	......	......	54,159	349	235	9,218	......	......	9,218	1,436
London	1942	522,246	280,963	56,532	859,741	7,117	3,151	67,521	58,618	4,535	130,674	21,675
	1941	471,751	241,720	51,387	764,858	7,489	2,898	55,751	52,377	3,363	111,491	19,607
Manufacturers	1942	288,380	......	7,341	295,721	3,401	1,912	29,992	......	97	30,089	8,998
	1941	269,485	......	7,635	277,120	3,757	1,929	22,551	......	25	22,576	8,344
Maritime††	1942	......	......	......	......	......	......	......	......	......	......	......
	1941	......	......	......	......	......	......	......	......	......	......	......
Metropolitan	1942	790,359	482,801	130,078	1,403,238	17,750	8,105	101,722	50,061	5,240	157,023	42,815
	1941	717,717	453,449	122,858	1,294,024	20,072	7,943	82,717	47,975	4,102	134,794	40,471
Monarch*	1942	69,603	......	......	69,603	706	357	8,657	......	......	8,657	1,836
	1941	65,062	......	......	65,062	729	265	8,199	......	......	8,199	1,789
Montreal	1942	50,552	......	9,713	60,265	417	182	8,314	......	944	9,258	1,487
	1941	45,792	......	9,250	55,042	516	185	8,883	......	912	9,795	1,428
Mutual and Citizens‡	1942	11,897	14,072	......	25,969	402	180	2	......	......	2	882
	1941	12,406	14,852	......	27,258	301	203	15	......	......	15	946
Mutual of Canada	1942	......	......	......	615,905			49,181	......	10,828	60,009	18,081
	1941		......		557,254			39,727	......	1,431	41,158	16,203
National	1942	60,442	......	2,443	62,885	572	383	7,235	......	......	7,235	1,438
	1941	50,571	......	2,186	52,757	612	389	5,576	......	71	5,647	1,481
New York	1942	125,699	......	......	125,699	2,070	1,780	3,460	......	......	3,460	3,844
	1941	127,660	......	......	127,660	2,434	1,823	3,342	......	......	3,342	3,976
North American	1942	220,054	......	4,608	224,662	3,072	1,601	26,229	......	1,093	27,322	7,240
	1941	204,109	......	3,153	207,262	3,586	1,158	20,589	......	497	21,086	6,587
Northern	1942	53,095	......	2,510	55,605	461	283	5,339	......	......	5,339	1,330
	1941	49,506	......	2,404	51,910	609	244	4,198	......	23	4,222	1,292
Occidental	1942	33,907	......	3,630	37,537	40	245	8,029	......	1	8,030	637
	1941	28,026	......	3,236	31,262	41	115	5,518	......	2,534	8,052	504
Prudential (Eng.)‡	1942	45,716	......	1,190	46,906	226	218	9,758	......	......	9,758	1,435
	1941	38,355	......	1,232	39,587	230	159	5,981	......	......	5,981	1,326
Prudential of America	1942	......	......	......	......	......	......	......	......	......	......	......
	1941	290,645	276,123	18,518	585,287	3,492	8,273	37,053	30,492	522	68,067	20,068
Royal Insurance‡	1942	30,245	......	......	30,245	201	391	2,114	......	......	2,114	694
	1941	29,365	......	......	29,365	205	261	1,906	......	......	1,906	681
Sovereign*	1942	41,709	......	......	41,709	474	180	7,038	......	......	7,038	1,145
	1941	37,693	......	......	37,693	477	150	6,227	......	......	6,227	1,041
Standard‡	1942	38,542	......	......	38,542	295	633	2,319	......	......	2,319	1,134
	1941	37,807	......	......	37,807	407	582	1,785	......	......	1,785	1,063
Sun	1942	611,326	......	312,176	923,502	10,955	7,575	43,114	......	25,062	68,176	26,204
	1941	596,561	......	277,028	873,589	12,173	6,045	37,415	......	14,834	52,249	25,927
Toronto Mutual*	1942	3,650	7,767	......	11,417	90	52	500	2,152	......	2,652	347
	1941	3,343	6,470	......	9,813	89	60	297	1,845	......	2,142	298
Travelers	1942	......	......	......	......	......	......	......	......	......	......	......
	1941	88,662	......	40,529	129,191	1,287	1,252	5,116	......	755	5,872	2,776
Union Mutual	1942	3,859	......	......	3,859	107	84	136	......	......	136	90
	1941	3,984	......	......	3,984	79	44	74	......	......	74	94
Western*	1942	8,375	......	......	8,375	81	32	2,256	......	......	2,256	232
	1941	7,304	......	......	7,304	73	52	2,002	......	......	2,002	194

† Including consideration for annuities. †† Canadian and other business not separated. ‡ 1942 figures for entire operations not available. * Does not do business outside Canada.

Automobile and General Casualty Insurance
Lumbermens Mutual Casualty Company
Service · Saving · Security
Fire and Allied Lines Written in Associated Companies
Agency Inquiries Invited
"THE SAFETY-MINDED COMPANY"

MORDEN, HELWIG & FERRIE LIMITED
Insurance Adjusters
Automobile, Casualty, Fire and Allied Lines, Inland Marine
HAMILTON, LONDON, WINDSOR, KITCHENER, ST. CATHARINES, SARNIA, CHATHAM, OWEN SOUND

YOU'D NEVER KNOW *from the Outside...*
that Burglars had been at work within

● The Smiths were proud of their home . . . they stood to gaze at it before mounting the walk and entering. You'd never know from the outside that the shambles left by Burglars lay within.

● The Smiths, though, were wise. They protected themselves against just such an event as this by taking out a Union of Canton Burglary policy, which spared them financial loss.

You never know when or whose house may next be singled out for illegal entry. So be sure to ask your agent now about Union of Canton Burglary Insurance.

UNION *Insurance Society* OF CANTON LIMITED
Head Office for Canada - Metropolitan Bldg., Toronto
COLIN E. SWORD, *Manager for Canada.*

Insurance Men Seek New Revenue Lines

Faced with a decline in income from fire premiums, and an even more substantial drop in automobile premiums, insurance company executives are scanning the horizon for ways and means of making up the deficiency.

However, the need of maintaining existing lines as fully as possible is being stressed first.

Upward trend of fire losses in Canada is seen as a reason for people buying more fire insurance. During the last few years, when the trend of losses was steadily downward, many felt that the chances of a fire occurring were becoming smaller each year.

They felt that with better building construction, improved fire fighting equipment, and a more wide awake public conscience, the chances of a fire in their own residence or business property were smaller than they had been.

Fire Losses Increase

An estimated 40% increase in fire losses in Canada in 1942 has caused them to revise their views. Insurance men say many business and industrial executives are now anxious to place more insurance on their property, encouraged by reductions in premium rates which make it possible to increase the coverage on buildings without any additional cost over previous years.

In automobile insurance, two factors are tending to reduce premium income—lower premium rates, and fewer cars carrying public liability and property damage insurance.

Insurance men point out that fire and theft insurance are just as essential as ever. The risk of batteries, tires, etc., being stolen, is greater. These are now covered by the standard automobile policy, even when detached from the car and stored in the owner's residence.

Other Policies

Lines where expansion is expected include inland transportation guarantee bonds, accident and sickness, straight accident insurance, and public liability.

Increasing defalcations by people in trust has brought an increase in the demand for fidelity guarantee bonds, while anxiety of workers in good jobs not to lose financially if off work through accident or disease has stimulated interest in accident and sickness insurance. Current demand for these lines is estimated well above that for 1942, which it is believed was above 1941.

How 1941 premiums compared with 1940 is shown in the following table:

	1942 $	1941 $
Accident pers.	3,256,627	3,119,922
Public liability	2,590,261	2,334,405
Accident & sickness	4,538,021	3,542,578
Fidelity	1,267,505	1,247,197

Increase in these lines may go far to offset decline in fire and automobile premiums.

HOME ASSURANCE COMPANY OF CANADA
Head Office: Lancaster Bldg., Calgary
FIRE, AUTOMOBILE, HEALTH & ACCIDENT INSURANCE
Application for Agencies Invited.

United States Fidelity & Guaranty Company
TORONTO

WAWANESA'S 47th REPORT
Figures for 1942 Show Consistent Progress

Admitted Assets at Dec. 31 .... $3,819,972.11
(Not including Western Canada Premium Notes Amounting to $1,079,647.08)
Surplus for Policyholders 2,014,637.07
Net Premiums Written 2,444,287.02
Dominion Government Deposit 1,939,324.33
Investments in Bonds, etc. 2,958,074.40

Both Net Premiums Written in the year and Net Surplus for the Protection of Policyholders Exceed $2,000,000.00
— Over 67% of Investments in Dominion Government Bonds —

For Three Years Has Led All Companies in Net Fire Premiums Written in Canada

2,000 Friendly Agents and over 160,000 Members from Atlantic to Pacific

The WAWANESA MUTUAL INSURANCE CO.
Head Office: WAWANESA, Man. Eastern Office: TORONTO, Ont.
Branches at VANCOUVER, EDMONTON, SASKATOON, WINNIPEG, MONTREAL and MONCTON
A. T. HAWLEY, K.C., *President.* DR. C. M. VANSTONE, *Managing Director*

Write for Free Copy of our Booklet "FARMING HOLDS THE KEY"

THE WEEK'S QUOTATIONS

Montreal and Toronto — Week ending Monday close

Winnipeg and Vancouver — Week ending Saturday close

Quotations here listed are the official stock exchange prices for listed stocks, including curb market quotations. For unlisted stocks, quotations by unlisted dealers are given. The Financial Post cannot accept any responsibility for these quotations.

WEEK ENDING MARCH 8

Mining Stocks

Week Ending March 8

Oil Stocks

				Company	Sales	Last Mar. 1	High	Low	Close
.36	.22	....	....	Pac. Pete	2,000	.30	.31	.25	.25
.04½	.03⅞	....	....	Royal Can.	5,500	.04½	.04½	.04	.04½
25.50	21.00	1.00	4	Royalite...	886	23.50	25.50	23.00	24.50
.07	.03½	....	....	South End.	17,000	.06½	.06½	.05½	.06
.32	.20	....	....	South W. P'te	1,500	.30	.30	.26	.26
.10	.08	....	....	Spooner.....	1,000	.10	.09	.09	.09
.09½	.04½	....	....	United Oils	5,000	.07½	.08	.07½	.07½
.09½	.06	....	....	Vanalta....	500	.08½	.07½	.07½	.07½
.15	.09½	....	....	Vermilata..	19,500	.11½	.13½	.11½	.13½
.36	.20	....	....	Vulcan	1,700	.32	.33	.28	.33

* Yield including bonus. ▾ Paid in 1942. † Initial.

Volume of Stock Sales

	Montreal Markets Indust.	Montreal Markets Mines	Toronto Markets Ind. & Mines	Vancouver Markets Ind. & Mines
Mar. 9	10,400	5,100	331,000	......
Mar. 8	15,400	20,900	400,000	32,570
Mar. 6	11,400	5,200	266,000	29,950
Mar. 5	16,700	11,900	330,000	51,061
Mar. 4	28,400	10,100	311,000	53,450
Mar. 3	23,100	8,900	290,000	39,575

STOCKS NOT TRADED THIS WEEK

Supplementary Stock Quotations

(Furnished by Plaxton, McDonnell & Co., Toronto)

Showing Bid and Asked at Mar. 9, and changes in bids from previous week.

Corporation Bonds

(Supplied by Investment Dealers' Association of Canada)

March 9, 1943

Corporation Bonds (Cont'd)

Commodities

	Latest week	Previous week	Same week last yr.
Cattle	$11.62	$11.64	$9.90
Hogs	17.08	17.01	15.50
Copper, lb.	*.12	.12	.12
Cotton, lb.	.2200	.2198	.2015
Sugar, raw, lb.	*.0374	.0374	.0374
Wheat, Man. (bu.)	.94½	.90½	.77⅞
Coffee, lb.	*.09⅜	.09⅜	.09⅜
Hides	*.15½	.15½	.15½
Weekly Indices			
U. S. Labor	102.7	102.4	96.8
Dow Jones (fut.)	91.58	91.38	87.01
Wood, Gundy	79.7	79.6	76.8
Fishers	111.1	111.0	103.1
Monthly Indices			
Canada (D.B.S.):			
Retail (Feb.)	116.9	117.1	115.7
W'sale (Jan.)	96.9	97.0	94.3
U. S. (Dec.)	101.0	100.3	93.6
Gt. Brit. (Dec.)	161.5	161.0	135.0

Note:—The base of indices is that 1926 equals 100. †Base 1935-39 equals 100. The British index is Board of Trade converted to 1930 base.

Base of price quotations is as follows: Cattle — Steers, good, over 1,050 lb., top price Toronto. Copper - electrolytic, New York, No. 7 coffee, Rio. Sugar—96 degrees centrifugal, c/f New York. Wheat — No. 1 Man. North., Ft. W.-Pt. A. basis. Cotton, raw, spot, N.Y.

*Ceiling prices fixed by the office of Price Administration.

Bond Redemptions

Bond Issues:	Rate	Year	Due	Price
Nat. Light & Pr.	▴6%	1949	Apr. 1	102
Victoriaville Furn.	6%	1951	Apr. 1	102
Nat. Grocers	•4%	1947	Apr. 1	102½
Saguenay Pr.	*4½	1966	Apr. 1	102
Can. Pac. Rly.	3%	1945	Apr. 1	102
Econ. Inv. Tr.	5%	1957	May 1	102½
Un. Grain Gr. B.	5½%	1949	May 1	102
Do. (C)	4½%	1949	July 2	102
Do., (A)	5%	1948	July 2	101

▴A & B. •$500,000. *$36,000.

Stock Issues:	Rate		Due	Price
Para. Pict.	6%	1st pf.	Apr. 1	part†
Can. For. Inv.*	‡8%	Pref.	Apr. 1	105

†Plus accrued dividend. Conversion feature on stock to be redeemed expires March 18.

‡Subject to approval FECB. *1,809 sh.

Municipal Bonds

March 9, 1943

	%	Due	Bid	Ask	Yld. %
†Halifax	5	1961	115.50	118.50	3.50
Hamilton	5	1950	110.00	113.00	2.98
Montreal	5	1945	96.00	99.00	*
Ottawa	4½	1945	104.00	105.50	2.15
†Quebec	5	1959	111.75	114.75	3.78
Saint John	5	1950	105.00	108.00	3.83
†Toronto	4½	1955	120.50	123.50	2.23
†Vancouver	5	1970	107.875	110.625	4.33
Winnipeg	5	1944	100.00	103.00	2.08

†Payable Can. & N.Y. *Flat.

Annual Meetings

1943	Company	Place
Mar. 12	Acme Glove	Montreal
Mar. 15	Drillers & Producers*	Calgary
Mar. 15	Petrol Oil & Gas	Toronto
Mar. 17	Fraser Comp.	Edmundston, N.B.
Mar. 18	British Em. Assur.	Toronto
Mar. 18	Imp. Guar. & Acc.	Toronto
Mar. 19	Gypsum, Lime & Ala.	Paris, Ont.
Mar. 22	Bathurst Pr. & Paper	Montreal
Mar. 22	Twin City Rap. Tran.	Minneapolis
Mar. 23	Can. Northern Power	Montreal
Mar. 25	Moore Corp.	Toronto
Mar. 26	York St. Buildings†	Toronto
Mar. 27	Pressed Metals	Pt. Huron, Mich.
Mar. 29	Can. Breweries	Toronto
Mar. 31	Lamaque Gold M.	Bourlamaque
Mar. 31	Rolland Paper	Montreal
Apr. 1	United Corporations	Montreal
Apr. 2	Leitch Gold Mines	Toronto
Apr. 6	Simpsons Ltd.	Toronto
Apr. 20	Asbestos Corp.	Montreal
Apr. 21	Borden Co.	Flemington, N.J.
Apr. 28	Intl. Nickel Co. of Can.	Toronto
Apr. 28	Western Grocers	Winnipeg
Apr. 29	Montreal Tramways	Montreal

*Debenture holders. †Bondholders.

Government Bonds

(Supplied by Investment Dealers' Assoc. of Canada)

Mar. 9, 1943

Unlisted Stocks

(Furnished by A. J. Pattison Jr. & Co., Toronto)

Mar. 9, 1943

OIL ROYALTIES

Producing Wells — Prices and Payments

Do., No. 4 gr.	125	125	62.80	50.00	81.60	3,528.00	....
Do., No. 7 pfd.	500	500	275.00	246.40	271.20	1,058.00	6,800
Do., No. 7 dfd.	500	500	....	....	....	....	4,200
Do., No. 7 gr.	500	500	261.60	216.40	248.00	1,750.80	9,000
Do., No. 8 pfd.	315	315	146.80	148.40	132.00	427.20	4,200
Do., No. 8 gr.	315	315	132.80	130.00	118.80	910.00	5,500
Do., No. 8 dfd.	315	315	....	....	....	....	1,500
Do., No. 9 gr.	350	350	153.60	151.60	147.60	1,313.80	....
Do., No. 9 pfd.	350	350	....	....	72.40	72.40	5,100
Do., No. 9 dfd.	350	350	....	....	....	....	2,000
Miracle No. 1 net	355	355	121.54	96.04	122.91	4,923.54	3,800
Do., No. 1 gr.	355	355	180.80	101.74	167.08	4,975.42	....
Do., No. 2 pfd.	220	220	141.16	156.19	....	......	3,200
Do., No. 2 gr.	220	220	120.40	137.40	62.80	1,042.92	4,400
Renown No. 1 pfd.	85	85	39.69	37.04	33.54	322.88	....
Winalta No. 1 pfd.	80	80	21.20	27.60	....	†3,489.10	....

*Approximately 25% over dealers' bid prices. §Approximate. †To Dec. 31 only.

Drilling Wells — Prices and Depths

Well:	Drilling depth ft.	Offering price per 1%	Well:	Drilling depth ft.	Offering price per 1%
Bonaventure pfd.	9,165	$2,800	Northclonmel No. 1 gr.	8,850	7,100
Bonaventure gross	9,165	5,800	Northend No. 1 pfd.	8,949	2,500
Maryland pfd.	7,195	*4,375	Northend No. 1 dfd.	8,949	1,000
Major Oil No. 6 pfd.	8,022	4,700	Northend No. 1 gr.	8,949	3,900
Major Oil No. 6 gr.	8,022	....	Northend No. 2 pfd.	6,450	....
Miracle No. 3 pfd.	7,894	5,100	Northend No. 2 gr.	6,450	....
Miracle No. 3 gr.	7,894	7,600	National Vulcan No. 1	7,634	*4,375
Northclonmel No. 1 pfd.	8,850	4,200	Empire pfd. (Ont.)†	....	$1,100
Northclonmel No. 1 dfd.	8,850	1,700	Hi-Test Pet. pfd.†	....	*3,600

*Pegged price. †Acreage royalty.

Unlisted Mines

Toronto, Mar. 9, 1943

	Bid	Ask.		Bid	Ask.		Bid	Ask.		Bid	Ask.
Adnarn	.33	.35	Dona Pat	.01½	.02½	Mat Cn	.11	..	Presdor	.02½	.03
Albany R	.02	.05	Eastward	.08½	.10½	Mof Hi n	.02	.03	Que Mn	.23	.25
Do., new	.08	.11	Gunflint	.22	.25	Mosher	.07½	.09½	Rand M	.14	.16
Amal Kirk	.06½	.07½	Goodrock	.08	.10	McManus	.01½	.03	Rebair	.38	.43
Anoki	.02	.03	Harp M	.08	.08½	Nat Mal	.22	.24	Ritoria	.03	.03½
Arno	.02	.03	Hayes C	.02½	.03	Naybob	.01½	.02½	Rhyolite	.01	.02
Arjon	.16½	.17½	Hoyle n	.10	.12	Nick O	.75	1.00	S.A.G.A.	.10	.25
Armistice	.33	.36	Hugh P	.03	.04	Newbec	.01½	.02	Rou D'O	.09	.11
Area	.06	.07½	Kirk T.	.08½	.11	Norbeau	.22	.25	Sheldon	.11½	.13
Arntfield	.01	.02	Lacoma	..	.01	Nth Tin	.17½	.18½	Springer	.22	.25
Athona n	.00½	..	Laguerre	.08	.11	New Rib	.00½	.01	Stadacona	.09	..
Barb Lrd	.03½	.06	Lake Gen	.05	.07	Oklend	.04	.05	Tombill	.05	.10
Bayshor	.24	.26	Largold	.15½	.17	O'Lea M	.04	.05	Tomahk	.01	.02
Brock	.06	.07	Low Pte	..	.43	Opemisk	.05	.07½	Tungld	.14	.16
Clift Cn	.30	.33	Mag C	.27	.33	Pelangio	.02½	.03½	Thom L	.13	.16
Can Rad	.03	.05	Midwest	.28	.30	Orpit	.02½	.03	Uchi	.01	.02
Cent Mn	.02	.03½	Metalor	.17	.19	Pascalis	.23	.27	Un Min	.03½	.04½
Chemin	.04	.05	Majmic	.39½	.42½	Pon Rou	.03	.05	Vicore	.18	.21
Columb	.26	.28	Martin B	.04½	.05½	Pt Cold	.27	.30	Wesley	.03	.03½
Con Chib	.05	.07	Mat Can	.01½	.04	Propty	5.20	5.75	Young D	.17	.21
De San n	.05	.06									

Canada Cement Volume Is Off

From Our Own Correspondent

MONTREAL.—Canada Cement Co reports that shipments since the close of the last fiscal year, Nov. 30, have been on a reduced scale compared with the preceding year.

According to J. D. Johnson, president, there is nothing yet to indicate any change in the estimate made in the annual report that shipments during the year would probably be 30 to 40% down in comparison with 1942.

Expects Better Results

The decline in shipments during the last war was 50% from the peak to the low point in 1918. "We do not anticipate so precipitate a drop during the present struggle," Mr. Johnson said, "unless it should be greatly prolonged. However, we cannot look for very much activity in the building industry until the postwar period."

The company's plants have been maintained in good working order, but replacements that could be postponed have been postponed, and new construction has been delayed. This has been done to save labor and materials during the war and provide as much employment as possible in the postwar period.

York St. Buildings Meeting Called

A meeting of bond holders of York Street Buildings, Ltd., has been called for March 26, in Toronto, Donald H. Rowan, president, announces.

Purpose will be to consider changing the maturity date of the 6% first mortgage (leasehold) 15-year bonds from April 1, 1943, to April 1, 1953, and the interest rate to 5% per annum.

Other proposed revisions would provide that the company pay to the trustees as a sinking fund $5,000 annually plus the net income, that the bonds shall be redeemable on 30 days' notice on any interest date, and that company defaults to date be waived.

York Street Buildings operates two loft buildings in Toronto on leasehold property and has issued $265,000 in bonds, with $162,000 outstanding at Sept., 1942.

Maritime Telegraph & Telephone Co. added 257 stations to its system in January, bringing the number in operation to 55,974, an all-time record. Long distance toll traffic also continued to set a record pace, 211,921 calls having been completed in January compared with 176,150 calls for the same month last year.

Dividends Declared

	This payment $	Date payable	Date of record
Agnew Surpass, pf.	1.75	Apr. 1	Mar. 15
Asbestos Corp.	.20	Mar. 30	Mar. 1
Do., bonus	.10	Mar. 30	Mar. 1
Assoc. Brew., c.	.25	Mar. 31	Mar. 10
Do., pref.	1.75	Apr. 1	Mar. 10
Amer. Cyan. A, B	‡.15	Apr. 1	Mar. 12
Do., pref.	†.12½	Apr. 1	Mar. 12
Aluminum, pref.	1.25	May 1	Apr. 1
Brant Cordage, p.	.32½	Apr. 15	Mar. 20
Brit. Amer. Assur.	*1.50	Apr. 1	Mar. 27
B.C. El. P. & Gas p.	1.50	Apr. 1	Mar. 20
Buff. Ankerite	.05	Apr. 6	Mar. 23
Building Prod.	.15	Apr. 1	Mar. 15
Beatty Bros. (A)	.25	Apr. 1	Mar. 15
Bell Telephone	2	Apr. 15	Mar. 23
Brazilian Tr., pfd.	1.50	Apr. 1	Mar. 15
Bk. Nova Scotia	2.50	Apr. 1	Mar. 16
Barber-Ellis	.12½	Mar. 15	Feb. 27
Bralorne M.	*.20+.10	Apr. 15	Mar. 31
Brewers & Dist.	*.50	May 20	Apr. 20
Do., bonus	*.10	May 20	Apr. 20
Bright, T. G., pfd.	1.50	Mar. 15	Feb. 27
Brit. Amer. Oil	.25	Apr. 1	Mar. 5
B.C. Power (A)	.50	Apr. 15	Mar. 31
Burlington Steel	.15	Apr. 1	Mar. 10
Belding Cort.	1	Apr. 1	Mar. 15
Do., pref.	1.75	Apr. 1	Mar. 15
B. C. Packers	.75	Mar. 15	Feb. 27
Bruck Silk	*.10	Mar. 15	Feb. 27
Canada Bread, pfd.	1.50	Apr. 1	Mar. 15
Do., (B), pref.	.62½	Apr. 1	Mar. 15
Can. Cr. Stone	.10	Mar. 15	Feb. 26
Can. Foundries, A	.37½	Mar. 20	Mar. 1
Calgary & Edm.	*.05	Apr. 15	Mar. 13
Cariboo Gold	*.02	Apr. 1	Mar. 8
Chartered Trust	1	Apr. 1	Mar. 15
Comm. Alcohols	.05	Apr. 15	Mar. 31
Do., pref.	.10	Apr. 15	Mar. 31
Corr. Paper Box, p.	1.75	June 1	May 17
Do., arrears	7	June 1	May 17
Can. Cottons	1+2	Apr. 1	Mar. 5
Do., pref.	1.50	Apr. 1	Mar. 5
Can. For. Invest., c.	*.70	May 1	Apr. 1
Canada Iron, pfd.	3	Apr. 15	Mar. 31
Canada Dry	†.15	Mar. 9	Feb. 24
Can. Canners	.12½	Apr. 1	Mar. 15
Do., 1st pref.	.25+.05‡	Apr. 1	Mar. 15
Do., 2nd pref.	.15+.05‡	Apr. 1	Mar. 15
Canada Bud	.10	Apr. 1	Mar. 15
Canadian Car, pfd.	.44	Apr. 10	Mar. 20
Can. Nor. Power	.15	Apr. 26	Mar. 19
Do., pref.	1.75	Apr. 15	Mar. 19
Canada Cycle	.30	Mar. 31	Mar. 12
Do., pref.	1.25	Mar. 31	Mar. 12
Carnation, pfd.	†1	Apr. 1	Mar. 19
Can. Gen. Ins.	5	Mar. 31	Mar. 15
Can. Celanese	.25+.25	Mar. 31	Mar. 15
Do., pref.	1.75	Mar. 31	Mar. 15
Do., partic.	.94	Mar. 31	Mar. 15
Can. Wire & Cable A	1	Mar. 15	Feb. 28
Do., (B)	.25	Mar. 15	Feb. 28
Do., pref.	1.62½	Mar. 15	Feb. 28
Can. For. Invest. pfd.	*2	Apr. 1	Mar. 1
Can. Tube&Stl. pd.	*1.75	Mar. 31	Mar. 24
Can. Breweries, pf.	.85	Apr. 1	Feb. 27
Can. Celan. Inc. rts.	1	Mar. 15	Dec. 31
Can. Converters	.50	Apr. 30	Mar. 15
Cockshutt Plow	.25	June 1	May 15
Can. For. Inv., pd.	*2	Apr. 1	Mar. 1
Canada Malting	.50	Mar. 15	Feb. 27
Can. Perm. Mtge.	2	Apr. 1	Mar. 15
Can. Gen. Elect.	2	Apr. 1	Mar. 12
Can. Indust. A B	1.25	Apr. 30	Mar. 31
Do., pref.	1.75	Apr. 15	Mar. 31
Can. Silk Prod., A	.37½	Apr. 1	Mar. 1
Cent. Can. Loan	2	Apr. 1	Mar. 20
Cons. Bakeries	.15	Apr. 1	Mar. 10
Cons. Sand. pref.	4	Mar. 30	Feb. 27
Cent. Pat. Gold	.03	Mar. 29	Feb. 27
Chesterville L. L.	.03	Apr. 15	Mar. 10
Canada Packers	1	Apr. 1	Mar. 15
Canada Cement, p.	1.25	Mar. 20	Feb. 25
Candn Oil, pf.	2	Apr. 1	Mar. 19
Can. Wire Box (A)	.37½	Apr. 1	Mar. 10
Do., arrears	.12½	Apr. 1	Mar. 10
Can. West'house	*.50	Apr. 1	Mar. 17
Celan. of Amer.	†.50	Mar. 31	Mar. 16
Do., 5% pref.	†1.25	Apr. 1	Mar. 16
Do., pr. pref.	†1.75	Apr. 1	Mar. 16
Do., 2nd pref.	†1.75	Apr. 1	Mar. 16
Cons. Bakeries	.15	Apr. 1	Mar. 10
Crown Cork	.50	May 15	Apr. 15
Consumers' Gas	2	Apr. 1	Mar. 15
David & Frere A	.25+.15	Mar. 31	Mar. 15
de Havilland, p.	1.75+1.75	Mar. 15	Mar. 1
Dominion Glass	1.25	Apr. 15	Mar. 15
Do., pref.	1.75	Apr. 15	Mar. 15
Dominion Tar, p.	1.57½	May 1	Apr. 1
Dom. Textile	1.25	Apr. 1	Mar. 5
Do., pref.	1.75	Apr. 15	Mar. 15
Dom. Foundries	.25	Apr. 1	Mar. 10
Dominion Stores	.10	Mar. 20	Feb. 22
Distillers Seag.	.55⅛	Mar. 15	Mar. 1
Do., pref.	†1.25	May 1	Apr. 15
Dairy Corp., pfd.	*1.25	Apr. 1	Mar. 15
Dome Mines	*.40	Apr. 20	Mar. 19
Econ. Inv. Tr.	1.27¾	Apr. 1	Mar. 1
Eng. Electric A	.62	Mar. 15	Feb. 27
Eastern Steel, pf.	.25	Apr. 1	Mar. 15
Fanny Farmer	†.37½	Apr. 1	Mar. 15
Ford Motor A, B	.25	Mar. 27	Mar. 8
Foundation Co.	.35	Apr. 22	Mar. 31
Gatineau Pwr.	.15	Mar. 31	Mar. 1
Do., 5% pref.	1.25	Apr. 1	Mar. 1
Do., 5½% pref.	1.37	Apr. 1	Mar. 1
Greening Wire	.15	Apr. 1	Mar. 1
Gt. West Sadd., pfd.	.75	Apr. 5	Mar. 5
Do., 2nd. pref.	.75	Apr. 5	Mar. 5
Gt. West Life	3.75	Apr. 1	Mar. 20
Gen. Steel Wares, c.	.25	Apr. 1	Mar. 15
Goodyear Tire	.62	Apr. 1	Mar. 15
Do., pref.	.62½	Apr. 1	Mar. 15
Gt. Lakes Power, pf.	1.75	Apr. 15	Mar. 31
Hamilton Cotton	.10	Apr. 1	Mar. 15
Do., pref.	.50	Apr. 1	Mar. 15
Ham. Un. Theat., pf.	1.25	Mar. 31	Mar. 15
Hollinger Cons.	.05	Mar. 25	Mar. 11
Hinde & Dauch	.25	Apr. 1	Mar. 5
Honey Dew	.50	Apr. 1	Mar. 15
H. Smith Paper, pf.	1.50	Apr. 15	Mar. 31
Huron & E. Mtge.	1%	Apr. 1	Mar. 15
Imperial Tob., ord.	.10	Mar. 31	Mar. 5
Do., final	.15	Mar. 31	Mar. 5
Do., pref.	3%	Mar. 31	Mar. 5
Inter. Nickel, c.	†.50	Mar. 31	Mar. 1
Do., pfd.	1.75	May 1	Apr. 1
Inter. Paper, pref.	†1.25	Mar. 30	Mar. 19
Inter. Power, pfd.	1.75	Apr. 1	Mar. 10
Imperial Life	3.75	Apr. 1	Mar. 31
Invest. Found., pf.	.75	Apr. 15	Mar. 15
Jam. Pub. Serv.	.17	Apr. 1	Mar. 15
Do., pref.	1.75	Apr. 1	Mar. 15
Kirkland L. G.	.02	May. 4	Apr. 1
Lake Shore Mines	.20	Mar. 15	Mar. 1
Langley's pref.	*.50	Jun. 11	Jun 3
Do.	*.50	Sep. 11	Sep. 3
Do.	*.50	Dec. 11	Dec. 3
Landed Banking	1	Apr. 1	Mar. 15
Lang, John A.	.17½	Apr. 1	Mar. 10
Do., extra	.30	Apr. 1	Mar. 10
Louisiana Land	†.10	Mar. 15	Mar. 1
Marcus Loew's, pfd.	1.75	Mar. 31	Mar. 10
Modern Containers	.30	Apr. 1	Mar. 20
Do., pref.	1.37½	Apr. 1	Mar. 20
Macassa Mines	.06	Mar. 15	Feb. 27
Maritime Tele.	.17½	Apr. 15	Mar. 20
Do., pref.	.17½	Apr. 15	Mar. 20
Massey-Harris, pf.	.62½	Mar. 15	Mar. 1
MacKinnon Steel p.	1.25	Mar. 15	Feb. 27
Moneta Porc.	.02	Apr. 15	Mar. 22
Montreal Cottons	1	Mar. 15	Feb. 27
Do., pref.	1.75	Mar. 15	Feb. 27
McK. Red Lake	.03	Mar. 15	Mar. 1
McIntyre Porc.	.55⅛	June 1	May 1
Moore Corp.	.55⅛	Apr. 1	Mar. 10
Do., A, B, pref.	†1.75	Apr. 1	Mar. 10
Murphy Paint	.20	Apr. 1	Mar. 15
Do., pref.	1.37½	Apr. 1	Mar. 15
Montreal Loan	.31¼	Mar. 15	Feb. 28
Nat. Biscuit	†.30	Apr. 15	Mar. 12
Noranda Mines	1	Mar. 15	Feb. 20
Nat. Grocers, pfd.	.37½	Apr. 1	Mar. 15
Nat. Breweries	.50	Apr. 1	Mar. 4
Do., pref.	.44	Apr. 1	Mar. 4
Nat. Steel Car.	.50+1.00	Apr. 15	Mar. 15
Negus Mines	.02½	Mar. 29	Mar. 10
N.S. Lt. & Pr. ord.	1.50	Apr. 1	Mar. 13
National Trust	2	Apr. 1	Mar. 20
North Star Oil, pf.	.08¾	Apr. 1	Mar. 13
Nor. Ont. Power, c.	.12	Apr. 26	Mar. 31
Ont. Loan & Deb.	1.25	Apr. 1	Mar. 15
Ogilvie Flour, c.	.25	Apr. 1	Feb. 26
Ottawa Elec. Rly.	.50	Apr. 1	Mar. 1
Ottawa L. H. & Pr.	.15	Apr. 1	Feb. 17
Do., pref.	1.25	Apr. 1	Feb. 17
Page Hersey	1.25	Apr. 1	Mar. 15
Perron Gold	*.04	Mar. 31	Mar. 1
Preston E. Dome	.05	Apr. 15	Mar. 15
Paton Mfg.	1	Mar. 15	Feb. 28
Do., pref.	1.75	Mar. 15	Feb. 28
Para. Pictures	†.30	Apr. 1	Mar. 18
Do., pref.	†1.50	Apr. 1	Mar. 18
Power Corp., pfd.	*1.50	Apr. 15	Mar. 19
Do., 2nd pref.	*.75	Apr. 15	Mar. 19
Price Bros., pref.	1.37½	Apr. 1	Feb. 26
Porto Rico Pwr., p.	1.75	Apr. 1	Mar. 10
Regent Knit, c.	.25	Apr. 15	Mar. 15
Regent Knit, pfd.	.40	June 1	May 1
Do.,	.40	Sept. 1	Aug. 2
Do.,	.40	Dec. 1	Nov. 2
Reliance Grain, pf.	1.62½	Mar. 15	Feb. 28
R. S. Mills, A	.50	Apr. 1	Mar. 9
Remington Rand	†.25	Apr. 1	Mar. 10
Do., pref.	†1.12½	Apr. 1	Mar. 10
Russell Ind.	.20	Mar. 31	Mar. 12
Do., pref.	1.75	Mar. 31	Mar. 12
San Antonio G.	.07+.03	Apr. 15	Apr. 1
Stand. Fuel, pref.	1	Apr. 1	Mar. 15
Sunset Oils	.01½	Mar. 15	Mar. 1
Sherwin Wms.	.15	May 1	Apr. 15
Do., pref.	1.75	Apr. 1	Mar. 15
Simon & Sons	.15+.15	Mar. 29	Mar. 13
Do., pref.	1.75	Mar. 29	Mar. 13
Siscoe Gold	.01½	Mar. 15	Feb. 12
Silverwoods	.20	Apr. 1	Feb. 27
Do., pref.	.20	Apr. 1	Feb. 27
Stand. Radio, A	.10	Apr. 10	Mar. 31
Stedman Bros.	.15+.60	Apr. 1	Mar. 20
Do., pref.	.75	Apr. 1	Mar. 20
South Can. Pwr.	.20	May 15	Apr. 20
Do., pref.	1.50	Apr. 15	Mar. 19
Sullivan Cons.	.03	Mar. 15	Feb. 15
Stand. Paving, pf.	.62½	Mar. 20	Feb. 20
Sylvanite Gold	.03	Apr. 15	Feb. 22
Sun Life Assur.	3.25	Apr. 1	Mar. 16
Tamblyn, G.	.20	Apr. 1	Mar. 12
Do., pref.	.62½	Apr. 1	Mar. 12
Tuckett Tob., pfd.	1.75	Apr. 15	Mar. 31
Tip Top Tailors	.07½	Apr. 1	Mar. 1
Do., pref.	1.75	Apr. 1	Mar. 1
Tor. Gen. Insur.	.25	Mar. 25	Mar. 15
Tor. Gen. Trusts	1	Apr. 1	Mar. 13
Tor. Mortgage	1.25	Apr. 1	Mar. 15
United Fuel, A pfd.	.75	Apr. 1	Mar. 15
Viau, pref.	1.25	Apr. 1	Mar. 20
Western Assur., c.	*1.20	Apr. 1	Mar. 27
West. Grocers	.75+2	Apr. 15	Mar. 20
Do., pref.	1.75	Apr. 15	Mar. 20
Weston Geo. c.	.20	Apr. 1	Mar. 5
West Koot. Pr., pfd.	1.75	Apr. 1	Mar. 15
Wilsil	.25	Apr. 1	Mar. 1
Wr. Hargreaves	.10	Apr. 1	Feb. 25
Walker-Good.	1	Mar. 15	Feb. 19
Do., pref.	.25	Mar. 15	Feb. 19
Young-Davidson	.02	Mar. 15	Feb. 27

†N. Y. funds. *Subject to approval of Foreign Exchange Control Board. ‡Initial. §Participating.

DIVIDEND NOTICES

THE Calgary & Edmonton Corporation Limited

Notice is hereby given that a dividend of five cents per share was declared 23rd February, 1943, payable 15th April, 1943, to shareholders of record at the close of business on the 13th day of March, 1943.

Payment of the said dividend has been approved by the Foreign Exchange Control Board.

The Transfer Books of the Corporation will be closed from the close of business on the 13th day of March, 1943, to the opening of business on the 24th day of March, 1943.

BY ORDER OF THE BOARD.
C. E. REECE, Secretary.

Dated at Winnipeg, Man., this 2nd day of March, 1943.

SOUTHERN CANADA POWER COMPANY, LIMITED

The Board of Directors has declared this day the following dividends:

6% Cumulative Participating Preferred Stock

No. 93, quarterly, $1.50 per share, payable April 15th, 1943, to holders of record at the close of business March 19th, 1943.

No Par Value Common Stock

No. 72, quarterly, 20c. per share, payable May 15th, 1943, to holders of record at the close of business April 20th, 1943.

L. C. HASKELL, F.C.I.S., Secretary.

Montreal, February 26th, 1943.

Hollinger Consolidated Gold Mines Limited

DIVIDEND NUMBER 368

A regular dividend of 1% has been declared by the Directors on the Capital Stock of the Company, payable on the 25th day of March, 1943, to shareholders of record at the close of business on the 11th day of March, 1943.

Dated the 4th day of March, 1943.
P. C. FINLAY, Secretary.

The Murphy Paint Company Limited

The following quarterly dividends have been declared by the Board of Directors payable on April 1st, 1943, to shareholders of record at the close of business on March 15th, 1943.

Preferred Stock—1⅜% (being at the rate of 5½% per annum).

Common Stock — Twenty cents (0.20) per share on the No Par Value shares.

The Murphy Paint Company Limited
P. L. Tod—Secretary.

Montreal, February 25th, 1943.

Kirkland Lake

Dividend No. 17

A semi-annual dividend of two cents per share on the outstanding capital stock of the Company has been declared payable May 4th, 1943, to shareholders of record April 1st, 1943.

Taxes imposed on shareholders' dividends will be deducted where applicable.

By Order of the Board,
H. F. CASSIDY, Secretary-Treasurer.

Toronto, March 5th, 1943.

BRITISH COLUMBIA POWER CORPORATION, LIMITED

DIVIDEND No. 59

NOTICE is hereby given that a dividend of Fifty cents (50c) per Share on Class "A" Shares has been declared for the three months ending March 31st, 1943, payable by cheque dated April 15th, 1943, to shareholders as of record at the close of business on March 31st, 1943. Such cheques will be mailed on April 14th, 1943, by the Montreal Trust Company from Vancouver.

By Order of the Board,
J. A. BRICE, Secretary

Vancouver, B.C. March 5th, 1943.

Dominion Glass Company Limited

NOTICE OF DIVIDENDS

Notice is hereby given that a dividend of one and three-quarters per cent (1¾%) has been declared on the PREFERRED STOCK of the Company for the quarter ending the 31st day of March, 1943.

Notice is also hereby given that a dividend of one and one-quarter per cent (1¼%) has been declared on the COMMON STOCK of the Company for the quarter ending the 31st day of March, 1943.

The above Dividends will be paid on Thursday, the 15th day of April, 1943, to shareholders of record at the close of business Monday, the 15th day of March, 1943.

By Order of the Board.
MERVYN OFFER, Secretary.

Montreal, 23rd February, 1943.

NOTE: The adoption of a mid month date for the payment of this and future dividends, instead of a date at the commencement of a month as formerly, is due to an official request to level out office work as much as possible.

The Toronto Mortgage Company

Quarterly Dividend

Notice is hereby given that a dividend of $1.25 per share, upon the paid-up Capital Stock of this Company, has been declared for the current quarter, and that the same will be payable on and after

1st April, 1943

to Shareholders of record on the books of the Company at the close of business on 15th instant.

By order of the Board,
WALTER GILLESPIE, Manager.

4th March, 1943.

The Sherwin-Williams Company of Canada, Limited

NOTICE IS HEREBY GIVEN that the one hundred and twenty-seventh quarterly dividend of one and three-quarters per cent (1¾%), being at the rate of seven per cent (7%) per annum for the quarter ending February 28, 1943, on the Preferred Stock of the Company has been declared payable to Shareholders of record the 15th day of March, 1943, and that cheques will be mailed April 1, 1943.

Books not closed.

By Order of the Board.
P. W. HOLLINGWORTH, Secretary-Treasurer.

Montreal, Quebec. February 4, 1943.

DIVIDEND NOTICES

CANADA PERMANENT MORTGAGE CORPORATION

Notice is hereby given that a Dividend of TWO PER CENT. on the paid-up Capital Stock of the Corporation has been declared for the current quarter, and that the same will be payable

Thursday, the First Day of April

next, to Shareholders of record at the close of business on the Fifteenth day of March, 1943.

By order of the Board.
Walter F. Watkins, Secretary.

Toronto, February 17th, 1943.

DIVIDEND Chartered Trust and Executor Company

NOTICE is hereby given that a dividend of 1% has been declared on the paid-up Capital Stock of Chartered Trust and Executor Company for the quarter ending March 31st, 1943, payable April 1st, 1943, to shareholders of record at the close of business March 15th, 1943.

By Order of the Board,
E. W. McNEILL, Secretary.

Dated at Toronto, February 25th, 1943.

General Steel Wares Limited

DIVIDEND NOTICE

Notice is hereby given that an Interim Dividend of Twenty-five Cents (25c) per share, on the No Par Value Common Stock of the Company, has been declared, payable on the 1st day of April, 1943, to Shareholders of record at the close of business on the 15th day of March, 1943.

By Order of the Board,
FRANK S. BROPHY, Secretary.

Montreal, March 6th, 1943.

Canadian Celanese Limited

1401 McGILL COLLEGE AVENUE, MONTREAL, P.Q., CANADA

March 2, 1943.

The Board of Directors has this day declared the following Dividends:

Seven Per Cent Cumulative Participating Preferred Stock

A Participating dividend of Ninety-four Cents (94c) per share, payable March 31, 1943, to holders of record at the close of business March 15, 1943.

A dividend of One Dollar Seventy-five Cents ($1.75) per share, which shall be deemed to be for the three months period January 1, 1943, to March 31, 1943, payable March 31, 1943, to holders of record at the close of business March 15, 1943.

Common Stock

A dividend of Twenty-five Cents (25c) per share in respect of the first quarter of 1943; and, in addition, an extra dividend of Twenty-five Cents (25c) per share, payable March 31, 1943, to holders of record at the close of business March 15, 1943.

H. BLANCKE, Secretary.

Sun Life Assurance Company of Canada

Head Office : Montreal
Stock Transfer Department

Notice is hereby given that a dividend of three dollars twenty-five cents ($3.25) per share on the capital stock of the Company has been declared for the quarter ending March 31st, 1943, and will be paid on April 1st, 1943, to shareholders of record at the close of business March 16th, 1943.

The stock transfer books of the Company will be closed from March 17th to March 31st, both dates inclusive, for the preparation of the above dividend.

By Order of the Board,
F. J. CUNNINGHAM, Secretary.

The Montreal Cottons Limited

NOTICE IS HEREBY GIVEN THAT THE ANNUAL GENERAL MEETING of the Shareholders of The Montreal Cottons Limited, will be held in the office of the Company, 710 Victoria Square, Montreal, on Wednesday, the 24th day of March, nineteen hundred and forty-three, at the hour of 12.15 p.m. for the purpose of receiving the Annual Report, electing a Board of Directors for the ensuing year, appointing auditors, and to transact such further business as may come before the meeting.

By order of the Board,
CHAS. GURNHAM, Secretary-treasurer.

Valleyfield, March 5th, 1943.

The Borden Company

ANNUAL MEETING

The annual meeting of stockholders will be held on Wednesday, April 21, 1943, at eleven o'clock A.M. (Eastern War Time) at 43 Park Avenue, Flemington, Hunterdon County, New Jersey.

Only stockholders of record at the close of business on Wednesday, March 24, 1943, will be entitled to vote at said meeting, notwithstanding any subsequent transfers of stock.

The stock transfer books will not be closed.

The Borden Company
WALTER H. REEMAN, Secretary

Wheat Futures Turn Active

Lively Market Sees Sharp Rise in Price

From Our Own Correspondent

WINNIPEG.—Grain market conditions lately have presented interesting contrasts to those prevailing a short time ago, which were generally expected to continue for a considerable period.

Activity developed in futures for wheat, with a sharp rise in prices. At the same time the coarse grains pit fell silent, with days passing without a single trade in futures being recorded, although eager buyers were bidding prices right up to the ceilings allowed for oats, barley and rye.

These things occurred in spite of the plethora of grain which exists in western Canada, and in spite of the fact that tens of thousands of farmers would be glad to sell at the prices offered in quantities far exceeding the quantities which buyers are currently prepared to accept.

Elevator congestion to some extent, but to a greater extent railway congestion, accounts for the phenomena of the market, and explains why the demand for grain cannot be supplied.

The motives that led to the purchase of 15 million bushels or more of wheat futures within a few days are not entirely clear. The buying originated in the United States. It might have come from exporting houses which anticipate that before long it will be possible to sell some Canadian wheat to Portugal or Spain, to Mexico or to Central American countries. It might have come from flour mills in the United States, anxious to assure themselves a supply of cheap Canadian wheat, in anticipation of possible opportunities to sell flour milled in bond. Or it might have come from investors in the United States, anxious to put out a hedge against inflation, or convinced that Canadian wheat is an extremely cheap commodity.

New Buying

At all events, when new buying entered the wheat market, the eagerness of the buyers was not matched by the eagerness in selling which might have been expected. There were no short sellers to meet the purchasers, because short selling is prohibited at present. Country elevator companies could not sell, in spite of thousands of elevators bulging with wheat. Most of that wheat belongs to the Canadian Wheat Board.

Somewhere between 25 and 50 million bushels belongs to the elevator companies, having been purchased from farmers last year, but sales against it have already been made in the futures market. Farmers could not sell for future delivery, since such sales are forbidden to them except against wheat actually in country elevators, and they have already disposed of all the wheat they have delivered there. They are daily delivering several hundred thousand bushels through country elevators in western Canada to the Wheat Board, but in spite of the strong market prevailing at Winnipeg, could find no company rash enough to buy it from them.

That left the Wheat Board as the only possible seller of large quantities.

Its holdings in country elevators can only be sold cautiously for delivery in May, the month in which transactions took place, for only a fraction of them can be got forward in time. Its holdings of futures similarly must be handled with caution, for these represent hedges against grain carried in eastern position by exporters, or in the country by elevator companies, all of which is in essence being carried for Wheat Board account. The board has assumed a moral responsibility to carry such hedges in a way that will assure some protection to the holders of such grain.

And against the wheat it owns in terminal elevators at the head of the lakes it may have sold futures in large quantities to Cereals Import Board for account of the British Government. In addition, controlling the movement of Canadian wheat so completely as it has done, quite possibly it does not desire to have control pass out of its hands of any considerable block.

Rise in Price

The rise in prices, if it continues, may create several difficulties. Farmers, thinking it portends still better prices in the future, may be reluctant to reduce their wheat acreage this year to the extent that had been expected. They may look to the elevator companies to offer prices in the country which will reflect the advance, an expectation difficult and perhaps impossible to satisfy. They may expect the Wheat Board to pay something on its participation certificates to correspond with the prices reflected on the market, in spite of the fact that the great bulk of sales by the board are made to Great Britain at prices not determined by the open market.

The War Time Prices and Trades Board has imposed no ceiling on wheat prices, but it has established ceilings for oats, barley and rye. Prospective purchasers in the futures markets are bidding those ceiling prices without finding any one willing to sell. Elevator companies buy these grains in the country, but cannot make corresponding sales in the futures market, for fear they will not be able to get the grain to the head of the lakes. Their purchases, however, are practically balanced by shipments of oats and barley all-rail to points in the United States. Buyers of these grains, it is taken for granted, are processors or dealers who are urgently anxious to buy in order to fill immediate demands of their trade in the United States.

All shipments of grain from country elevators are closely regulated by the Canadian Wheat Board. A question it will have to decide, in allocating cars for movement of grain to lakehead terminals, is whether to allow movement of wheat or of coarse grains, to prevent some technical dislocation in the market machinery for wheat, or to make sure of supplying all the coarse grains which can be got into early consumption in the United States.

The opening of navigation is not going to help very much with the solution. It is likely to be late, on account of ice conditions, and boats available for grain movement will be comparatively few.

The Business Of Farming

By GORDON L. SMITH

A national labor policy for 1943 was recently announced in the House of Commons by Labor Minister Hon. Humphrey Mitchell. This intimated that many potential sources of farm labor would be investigated. These include, Jap internees, prisoners of war, treaty reserve Indians, high school students, men discharged from the armed services, and during rush periods, temporary help from non-essential industries which may be closed during seeding and harvesting.

* * *

Need Skilled Help

Providing the policy can be implemented speedily and in a practical manner, Canadian farmers see considerable relief, but two major weakness in so far as the most wanted food production is concerned, are also apparent. Practically all this potential help, the authorities propose to tap, is of a temporary nature and unskilled, whereas the most serious shortage is of skilled and all year round labor. This is the kind and about the only kind that is needed so badly by the dairy industry, which furnishes in addition to butter, cheese and milk, a great deal of bacon from hogs fed on dairy by-products.

* * *

Year Round Business

Dairying, of course, is largely a 365-day business with chores running two to six hours daily. Moreover considerable skill is necessary in milking, mixing feed rations and general care. An inexperienced person might easily be responsible for substantial losses.

In this business, and in all farming for the matter, much machinery is used and here again skill is absolutely essential and especially so now with new machinery and repairs so scarce.

* * *

Farms Are Mechanized

It is doubtful if the average city person realizes just to what extent agriculture has been mechanized in the last ten years. A farm without a tractor and a good deal of other machinery is rare in the average better class farming areas.

It is feared, too, that this point has been overlooked by the authorities responsible for drastically curbing production of farm machinery and parts. Had the output of machine tools for munitions making been reduced instead of greatly expanded, there would have been an outcry from one end of the Dominion to the other. But there was little public criticism when farm machinery manufacture was checked.

Now when we are beginning to realize that food is just as essential as munitions, we are beginning to see that an adequate supply of farm machinery is necessary. Recently the restrictions on output of new machines and parts were modified, particularly for those used in the production of concentrated foods, like dairy, poultry and livestock products. This move will help, but most reports from rural districts still regard the situation as serious.

* * *

Most Vulnerable Point

Most vulnerable part of the farm food front is that concerned with dairy production—milk, cheese and butter. It is most vulnerable because it uses the greatest amount of skilled labor. Already many herds of dairy cattle have been sold. Where these simply go to another dairy farmer no harm will be done because the cows will keep right on milking. But in a great many cases, it is feared, and especially where part beef cattle are maintained, the animals will be fattened and sold to the butcher. In that case, milk production suffers immediately.

Of the dairy products, the first to feel the pinch has been butter, and authorities are none too hopeful that the present rate of output can be maintained. A great deal of this butter comes from these part beef cows, technically known as dual-purpose cattle. A farmer with half a dozen or more of such usually depends on a hired man or a grownup son to help him with the milking and other chores. With that son or hired man now in uniform the tendency will be to dry up these marginal cows and turn them into beef.

Increase Seen In Note Issue

Govt. Deposits With Bk. of Canada and Holdings of Securities Higher

Note circulation of the Bank of Canada showed a rise of $8 millions in the statement for the week ended May 3. Total deposits also rose.

On the credit side, holdings of short-term Dominion Government issues and miscellaneous assets were higher, making total assets about $18 millions more than in the previous week.

	Mar. 3 1943 $	Feb. 24 1943 $
Liabilities		
Capital paid-up	5,000,000	5,000,000
Notes in circ.	697,612,006	689,431,348
Rest fund	6,472,953	6,472,953
Deposits: Dom.	31,377,909	23,659,931
Banks	264,678,536	268,937,174
Other	15,830,171	10,500,652
Total deposits	311,886,616	303,157,757
All other	7,254,181	6,405,976
Total liabs.	1,028,225,756	1,010,468,034
Assets:		
In Sterling & U.S.	327,389	327,388
Subsid. coin	289,280	284,082
Investments:		
Dom. gov. sh.	751,068,477	738,995,624
Other Dom. gov.	257,245,502	258,943,452
Total invest.	1,008,313,979	997,939,076
Premises	2,103,185	2,108,298
All other assets	17,1[illegible],923	9,809,190
Total assets	1,028,225,756	1,010,468,024

G. E. Leslie's Maritime Service Has Anniversary

The 41st anniversary of the first direct private brokerage wire between Montreal and the Maritime Provinces is being celebrated this month. The line, which is furnished by the Canadian Pacific Telegraphs, is the only one operating today and is now part of the service of G. E. Leslie & Co., Montreal.

The service was established in March, 1920, by a predecessor firm of G. E. Leslie & Co. and has been in continuous operation ever since, establishing a record as one of the oldest continuous leases in Canada for wire-carrying brokerage and trading information.

Montreal Loan Places Funds in War Loans

Demand for mortgage loans has greatly decreased and Montreal Loan & Mortgage Co. has consequently invested funds in securities, mainly war loans, according to a statement at the annual meeting by W. Ernest Bolton, president.

Last year mortgage interest and rents were well-collected, he said, adding that most of those who had taken advantage of the moratorium laws, and paid only 5% while such laws were in force, had made satisfactory arrangements to pay up their arrears.

DIVIDEND NOTICES

WESTERN GROCERS LIMITED

NOTICE OF DIVIDENDS

Notice is hereby given that the following dividends have been declared:

On the Preference Shares, 1¾% ($1.75) for the current quarter;

On the Common Shares, 75c per share;

On the Common Shares, an extra $2.00 per share;

all payable April 15th, 1943, to shareholders of record March 20th, 1943.

By Order of the Board.
W. P. Riley, President.

Wheat Prices

Winnipeg Grain Futures

Week of Mar. 8, 1943

Crop year from Aug. 1, 1942 High	Low		High for week	Low for week	Close Mar. 8
		Wheat			
.95¾	.91⅛	May	.95¾	.91⅛	.95¼
		Oats			
.51½	.45¾	May	.51½	.51⅛	.51⅛
.51½	.47⅜	July	.51½	.51½	.51⅛
		Barley			
.64¾	.62⅝	May	.64¾	.64¾	.64¾
.64¾	.72⅝	July	.64¾	.64¾	.64¾
		Rye			
.66⅜	.56¼	May	.66⅜	.66⅜	.66⅛
.68⅜	.58	July	.68⅜	.66⅜	.66⅜

Cash Quotations

	For Week Mar. 8 High	Low	Prev. Week High	Low
Wheat				
1 Nor.	.94½	.90⅛	.90⅜	.90½
2 Nor.	.91	.87	.87½	.87
3 Nor.	.89¼	.85⅛	.85⅜	.85⅛
4 Nor.	.88⅛	.83⅛	.83⅜	.83⅛
5 Wheat	.84⅜	.81⅛	.80⅜	.80⅜
6 Wheat	.84¼	.80⅜	.79⅛	.78⅜
Oats:				
2 C. W.	.51¼	.51	.51½	.51
3 C. W.	.50	.49½	.51	.50
Barley:				
1 Feed	.62½	.62⅛	.63⅛	.62⅜
2 Feed	.62	.61⅛	.62⅜	.62⅛
Rye:				
2 C. W.	.65½	.65½	.65½	.63⅛

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QUEEN'S QUAY, TORONTO

New Ration Sets Task For Hens Forces Need 90 Million Eggs

By STAFF WRITER

OTTAWA.—It will require 7.5 million dozen eggs in 1943 to meet the new doubled ration for the armed forces in Canada. This is the chief compensation which Canadian troops are to get for losing 25% of their beef, pork, fish, butter, coffee and tea ration and 12½% of their sugar ration.

Other additions to the service menu are a new ration of tomato juice (six ounces a week) and an increase in the weekly potato ration from 12 to 14 ounces.

Looking over the estimated demands of the Department of Munitions and Supply for 1943, it appears that the new lowered ration on beef will save 17 million pounds or the equivalent of 33,000 head of cattle.

The saving in pork is equivalent to 7.3 million pounds in 1943 or 62,-

In butter, the 25% cut should save about five million pounds.

EAST MALARTIC — 4,000,000 shares

The Company has been going through a period of adjustment; with the mine likely to regain a normal production and earning basis by early next year

At present milling 1200 tons daily of $6.22 grade. The 1800 ton milling capacity will hardly be regained before labour conditions improve and government restrictions are removed.

In addition to the ore reserves officially reported as over 2,000,000 tons of close to $7.50 grade, reports indicate that in the developing to the east over the past year, new ore zones of higher than average grade, and over very substantial widths, have been indicated.

East Malartic appears to be one of the substantial tonnage mines of the future.

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If You Keep a File of
THE FINANCIAL POST

You may now get an index to the major articles published in these columns during 1942.

This Index, published at the beginning of the year, has been reprinted in booklet form. As long as copies are available, we will be glad to send them to interested subscribers, on request.

THE FINANCIAL POST
481 University Ave., TORONTO

Has Steep Rock Iron a Twin?

Sherritt and Frobisher Make Rich Strike

By GORDON M. GRANT

There are indications that Sherritt Gordon Mines and its Ventures' controlled partner, Frobisher Exploration Co., have struck a deposit similar to the three already disclosed at the nearby property of Steep Rock Iron Mines.

Drilling together at Strawhat Lake, three miles southeast of Steep Rock's "B" ore body, Sherritt and Frobisher have intersected a 150-ft. true width of hematite. Mining men say you don't intersect this width of ore without indicating major mine-making possibilities.

If the ore body on the Strawhat claims, shared equally by Sherritt and Frobisher, stands up under further drilling, placing it in production may be relatively simple, and the capital expenditure might prove surprisingly small.

Like the Steep Rock Iron Mines ore bodies, the Sherritt-Frobisher occurrence lies below the waters of a lake—Strawhat Lake. But as will be seen by the map, the lake is small and drainage should be relatively simple. The water is reported to be only 20 to 25 ft. deep with a layer of mud overlying the ore body. Steep Rock Lake runs 100 to 300 ft. deep, roughly.

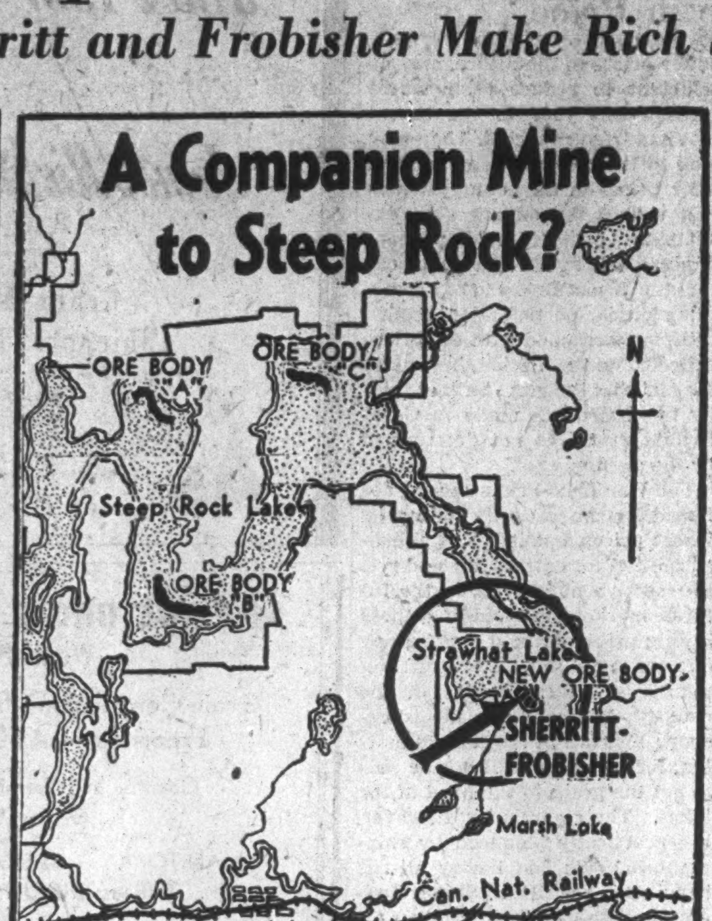
Iron Is Near Surface

From the one drill hole through the ore, the iron deposit seems to come right up to the mud, and if further drilling extends the showing, surface open pit mining would seem to be a real possibility. The hematite has been termed high grade concentrating ore, although full assays are not yet available. Undesirable impurities have been almost absent in the Steep Rock Iron Mines ore bodies, and as this is probably a related ore body, it seems likely impurities will run low at Strawhat Lake.

Second Hole Gave Ore

Fortune smiled early in the Sherritt - Frobisher exploratory drilling from the ice overlying Strawhat Lake. The ore intersection was made in the second hole put down. Despite the tricky type of drilling involved in going through ice, mud and boulders, it was possible to complete both holes and a third hole is now understood to be going down.

Drilling may be continued from the ice until mid-April, it is thought, but the actual length of time drilling can be continued will depend on the weather. It may prove possible to continue drilling from the shore through the summer but officials are making no predictions.



High-grade iron ore has now been found in the Steep Rock area over a distance of more than five miles. Hopes are being entertained that an iron range similar to the Mesabi in the United States may be emerging.

As indicated on the map, the iron ore has been found in the east bay of Strawhat Lake. Discovery of high grade iron ore there is not surprising. It would have been perhaps more surprising if it hadn't been found. Looking over the 1941 Dominion Department of Mines survey of the Steep Rock area by T. L. Tanton, we find that iron ore has been actually known there for some time but that no one has taken the trouble to go after it in recent years. Says Mr. Tanton:

"At the east end of Strawhat Lake, four diamond drill holes were bored in 1902 and 1909, in a search for pyrite ore. Starting from 'ash rock' on the south shore and angling under the lake toward the ferruginous carbonate, **three of the holes encountered hematite in the depression under Strawhat Lake.** The dimensions of the hematite deposit at this place were not determined; **the three intersections are spaced along a distance of about 1,000 ft. aligned west-northwest.**

"It is possible that iron ore occurs along the extensions of this zone toward the west end of Strawhat Lake for at least 100 feet east of the lake in the depression bordering the southern side of the ferruginous carbonate mass. The swampy depression extending northeast from Marsh Lake, like the Strawhat Lake depression, conforms to the curving structure of the adjacent basic intrusive rocks and as ferruginous carbonate occurs along the eastern edge of the swamp, this depression might also be underlain by iron ore."

Resembles Steep Rock Bodies

The true width of 150 ft. intersected would be a typical width for one of the ore bodies of Steep Rock Iron Mines. Steep Rock "A" ore has an indicated width of 175 to 200 ft., may run wider. The Steep Rock "B" ore zone has an indicated width of 150 ft. for 2,000 feet.

Known indicated lengths of ore at Steep Rock Iron Mines run from 3,170 ft. for the "A" zone to 4,750 ft. for the "B" zone. It will be seen from this that drilling at Strawhat Lake will have to indicate a considerable length of 150-ft. wide ore to get a tonnage anything like Steep Rock Iron Mines.

But if the Strawhat ore body extensions are found close to surface, outlining of ore by drilling may prove quite simple, and a good idea of ore possibilities may be secured before any plans need be laid for other forms of development.

For the Steep Rock area generally, the importance of the find at Strawhat Lake is obvious. The long eastern arm of Steep Rock Lake looks better as potential prospecting ground. Based on the Tanton report, which was instrumental in prospecting success at Strawhat Lake, there are three other general areas in the Steep Rock area where conditions favorable for finding ore bodies exist. These are:

1. The East Wetfoot area—A rectangular area 4,200 ft. square with its southwest corner about three-quarters mile northeast of Atikokan station.
2. West Wetfoot area—A rectangular area 4,200 ft. square whose southeast corner lies within one-quarter mile west of the village of Atikokan.
3. The New Lake-Witch Bay area—Embracing the section between New Lake and Witch Bay of Steep Rock Lake.

Solution of Steep Rock Iron Mines' problems may also be the solution to the problems of others in the area, it is thought. Thus Sherritt and Frobisher—if their iron find stands up—won't have to worry about loading terminal facilities at lakehead. The H.E.P.C. power line to be taken in to Steep Rock Iron Mines would probably take care of the power question too.

Mining Concentrates

Arjon Gold Mines is having plans for diamond drilling its property, next to Kerr-Addison, laid out by John C. Rogers, with definite proposals expected to be ready for a meeting of directors on Mar. 11, it is reported.

* * *

Dome Mines showed a small decline in production for February:

1943:	Tons milled	Tons daily	Recov. per ton	Total recov.
February ..	40,900	1,461	$12.27	$501,656
January ...	45,100	1,455	11.19	504,565

* * *

Gunflint Iron Mines, with its new programme of diamond drilling, is reported to have intersected 500 to 600 ft. of "iron structure" in the first hole.

* * *

Grull-Wihksne Gold Mines, following the first new board meeting of the original directorate which has again been returned to power, announces that W. C. Ditmars is again president, J. C. McPherson is vice-president and H. C. Wilson is secretary-treasurer. These are the same officials in power before the struggle for control started.

* * *

Lake Dufault Mines failed to secure any ore intersection in the first hole of its current drilling programme but further work is proceeding.

* * *

Moneta Porcupine Mines is reported making preparations for closing. The mill will continue for about another month but will be shut down if no other ore is found in the interim. A drill will be kept on exploration right up to the last, it is reported.

* * *

Malartic Gold Fields has reduced operations 40 to 50 tons daily to conform with the order of the Metals Controller that milling be restricted to the daily average of the first four months of 1942.

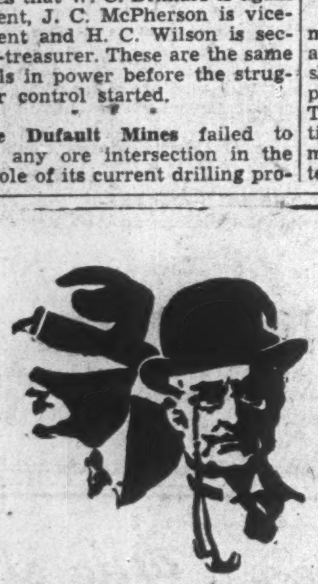
* * *

Sigma Mines showed a decrease in production in February:

1943:	Tons milled	Tons daily	Recov. per ton	Total recov.
February .	31,052	1,109	$7.35	$228,279
January ..	34,379	1,109	7.36	252,869

* * *

Young-Davidson Mines closed its mill down on Jan. 11 due to winter affecting the open pit, and the labor shortage. Mill operations are expected to be resumed about April 1. The mine has been kept in operation since the shut-down and all the mill crew has been given other work temporarily.



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J. ALDERIC RAYMOND PRESIDENT

Mining Company Reports

Leitch Gold

Higher production and profits, and a substantial increase in ore reserves, feature the 1942 annual report of Leitch Gold Mines.

Due chiefly to the exceptionally high-grade ore from the block of five new levels below the 9th, average recovery was $3 a ton higher than in 1941, and, milling a smaller tonnage of ore, earnings were increased 1.7 cents a share.

Development of the deep 10th, 11th and 14th levels shows a definite improvement as regards values compared with the average down to the 9th level, and the 12th and 13th levels, not yet fully developed, give similar indications, it is stated.

Ore reserves are now sufficient for 6-7 years' milling. Reserves showed an increase in value of $2,041,252, to 205,094 tons worth $6,177,379 during 1942. Output for the year was $974,544 from 80,076 tons of ore.

Income and Surplus Account
Years ended December 31

	1942 $	1941 $
Bullion production ...	975,184	894,275
Less: Marketing	11,817	10,797
Net production	963,367	883,928
Less: Development ...	113,356	121,102
Mining	213,132	192,041
Milling	73,214	67,353
Admin. expense	25,845	23,866
Net operat. profit	537,820	479,566
Add: Sundry revenue .	19,685	12,561
Total net earnings ...	557,505	492,127
Less: Development w/o	31,909	31,909
Depreciation	63,957	62,088
Taxes	127,800	124,000
Outside exploration.	28,517	13,493
Net profit	305,322	260,637
Less: Dividends	228,000	228,000
Surplus for year	77,322	32,637
Add: Prev. surplus ...	389,657	357,020
Refundable tax	1,903	......
Surplus forward	468,882	389,657

*Before $1,903 refundable tax addition.

Earnings per share and Dividend Record:

Earned	$0.108	$0.091
Paid	0.08	0.08
No. of shs. outstanding	2,850,005	2,850,005

Working Capital

Current assets	786,181	727,670
Current liabilities	140,018	170,966
Working capital	646,163	556,704

Renabie

A mill of 300 tons capacity is recommended for Renabie Mines by Mine Manager G. A. Howes, but action will be deferred until after the war.

Ore reserves down to 250 ft. depth are estimated at 314,725 tons with a gross value of $3,474,564 at current price of gold. Besides this, 8,100 tons of ore is on surface dump. Three diamond drill holes below the 250-ft. level each cut the main "D" ore body, showing commercial widths and values, two of the holes making intersections at 760 ft. from surface on dip of the ore bodies or at 500 ft. vertical depth.

Balance sheet as at Dec. 31, 1942, shows current assets of $11,811 against current liabilities of $747. Macassa advances totalled $50,747.

Macassa Mines

A year slightly below average was experienced by Macassa Mines in 1942 due chiefly to the strike and later to the general shortage of labor, which reduced milling rate.

Despite the labor shortage, operations were kept in balance and ore reserves showed little change totalling 506,710 tons of $17.78 grade at Dec. 31, 1942, against 507,350 tons of $17.36 grade a year previous. Present reserve is 3.3 years' supply, milling at capacity.

A total of 833 ft. of 0.54 oz. grade ore was opened up during 1942 across a width of 5.7 ft. A south branch vein gave 271 ft. at the 2,000-ft. level, is indicated at the 2,175-ft. level, and may give an important zone from 2,000 to 2,675 ft. A crosscut has been completed to the main break zone at 4,250 ft. off the winze.

A mill of 300 tons capacity has been recommended for the subsidiary Renabie property.

Income and Surplus Account
Years Ended December 31

	1942 $	1941 $
Bullion production ...	2,144,500	2,521,389
Less: Operating exp. .	834,545	969,734
Operat. earnings	1,309,955	1,551,655
Add: Invest. income ..	21,664	29,096
Net earnings	1,331,619	1,580,751
Less: Depreciation ...	88,590	117,560
Reserve for taxes ..	363,987	452,773
Net profit	*879,042	1,010,417
Less: Dividends	803,420	937,324
Surplus for year	75,622	73,093
Add: Prev. surplus ...	436,782	408,321
Refundable tax	15,000	......
Less: Exploration w/o	23,538	15,536
Trans. to invest a/c .	21,663	29,096
Surplus forward	482,203	436,782

*Not including refundable portion of E. P. tax.

Earnings Per Share and Dividend Record:

Earned	$0.334	$0.377
Paid	0.30	0.35
No. of shs. outstanding	2,678,068	2,678,068

Working Capital

Current assets*	716,154	950,612
Current liabilities	300,233	491,780
Working capital*	415,921	458,832

*Includes securities at market value.

Lamaque Gold

Opening of new wide ore bodies between the 1,200-ft. and 1,800-ft. levels at Lamaque Gold Mines is expected to give lower costs, offsetting a lowering in general "mine average" grade of an as yet undetermined extent, President D. L. H. Forbes reports.

Earnings in 1942 were closely comparable to those of 1941 and working capital increased over $200,000. Ore reserves at Dec. 31, 1942, totalled 1,140,804 tons of $9.19 grade ($35 gold) compared with 1,042,897 tons of $9.65 grade a year before. A total of 376,561 tons of ore was milled.

Development and mill rate were both affected by the labor shortage the latter half of 1942. The company considers, however, mine deepening carried out to 3,600 ft. gives a reserve of development which the mine can draw on for some time.

Income and Surplus Account
Years ended December 31

	1042	1941
Bullion production ...	$4,335,959	$4,955,040
Add: Invest. income .	27,223	23,524
Less: Prosp. & explor.	27,103	55,389
Development	324,152	568,108
Mining	916,261	996,715
Milling	268,358	281,011
General expense ...	234,028	270,621
Exec. salaries	17,450	16,400
Directors' fees	3,000	2,583
Legal fees	......	512
Prov. & mun. taxes	128,868	141,006
Sh. trans. & div. exp.	3,611	2,175
Net operat. profit	2,440,531	2,644,044
Less: Depreciation ...	204,476	306,557
Development w/o ..	......	149,316
Dom. inc. taxes	670,109	615,704
Net profit*	1,565,946	1,572,467
Less: Dividends	1,500,000	1,800,000
Surplus for year	65,946	†227,533
Add: Prev. surplus ..	2,626,911	2,854,444
Refundable tax	13,600	......
Surplus forward	2,706,457	2,626,911

*Refundable portion of E.P.T. taken directly to surplus amounts to $13,600.
†Deficit.

Earnings per share and Dividend Record:

Earned	$0.52	$0.52
Paid	0.50	0.60
No. of shs. outstanding	3,000,000	3,000,000

Working Capital

Current assets	3,633,470	3,904,429
Current liabilities	846,492	1,336,531
Working capital	2,786,978	2,567,898

New Tin Find at God's Lake Reported to be Interesting

From Our Own Correspondent

WINNIPEG. — Returning from Rush Lake, the scene of Manitoba's new tin strike, R. J. Jowsey, president of God's Lake Gold Mines, reports that the new showings on the property of Northern Tin Mines, now under option to God's Lake, look really interesting.

So important are the new showings considered that God's Lake has staked an additional 100 claims. The favorable ground in the area is believed to extend for 10 miles and something of a staking rush has developed.

Was Drilled Before

The Northern Tin Mines property was diamond drilled with funds provided by the Dominion Government last year but showings did not warrant further development at that time although other values were noted along with tin. However, the new strike is believed to possess much better possibilities than the previous one, it is stated.

One of the recent visitors into the area is Dr. G. M. Brownell, to whom is given much of the credit for finding chrome in the same general area. He visited the Northern Tin property and described it as the most encouraging indication of tin yet found in Manitoba, describing the formation as greisen and conceding added importance to the entire area which he said should be carefully examined.

Mining INVESTMENTS

The budget, calling for no changes in normal or excess profits taxes, brought a new firm note to the mining market. Many investors had feared a 10% increase in the normal tax on profits as the Dominion searched for further revenue. Apparently some rebuying of mining stocks occurred when no unfavorable budget news developed.

* * *

Increased prospecting is expected due to the lifting of the $5,000 "ceiling" on prospecting expenses, for which a 40% tax exemption will be granted larger mining companies. There are still a number of war minerals which have not yet been found in quantity in this country and which would be useful in furthering our war effort. In lifting the prospecting "ceiling," Mr. Ilsley recognized this factor.

* * *

McMurray tar sands are being worked by methods which are of a mining character although oil is the end product. Included in Canada's expenses for 1942-43 is an item of $150,000 for "development of tar sands," giving mute evidence of the extent to which Consolidated Mining & Smelting Co. and the Dominion have been going into the possibilities of the huge potential oil reservoir, estimated to contain more crude than all the proven reserves of the world's oil fields.

* * *

Mining promotion has become much more active in recent weeks. While it is hoped new mines will be developed as a result, there will be the inevitable disappointments and investors will be well-advised to scrutinize closely any new issues before making commitments.

A large proportion of the new undertakings are in the "war metal" category and some carry with them valuable income tax concessions. But some gold mining issues are being sold on little more than a location value basis. It is difficult to see, with present regulations, how these non-producing gold prospects can carry on much work even where property possibilities justify further exploration.

* * *

Uchi Gold Mines, now in the hands of the bondholders' liquidator, the Trusts & Guarantee Co., is still hoisting some ore being mined from pillars. It seems likely that milling will continue until about the end of March. A final clean-up will be made when the mill is closed and the mill will likely be placed in the hands of caretakers until arrangements can be completed for its salé.

Most of the supplies have been used up by routine milling operations and further supplies are being sold, it is understood. It has not yet been decided whether to make an interim distribution to bondholders prior to the sale of the mill building and equipment. As pillars are being pulled underground, it appears that any thought of reopening the property at a later date has been abandoned.

ALBERTA OIL OUTPUT

The Conservation Board has reported its final figures on 1942 Alberta oil field performance. Production during the year totalled 10,143,270 bbls. from oil wells, plus a further 10,041 bbls. recovered by mining methods, bringing grand total to 10,153,311 bbls. The total yield in the previous record year, 1941, was 9,924,399 bbls. The gross revenue from oil sales in 1942 was $15,517,266. This return compares with a gross value of $13,809,708 in 1941, the previous record year.

Inquiries invited regarding Canadian Industrial and Mining Investments. We specialize in the Dividend Paying Gold Mines and in new gold mining properties under present active and encouraging development.

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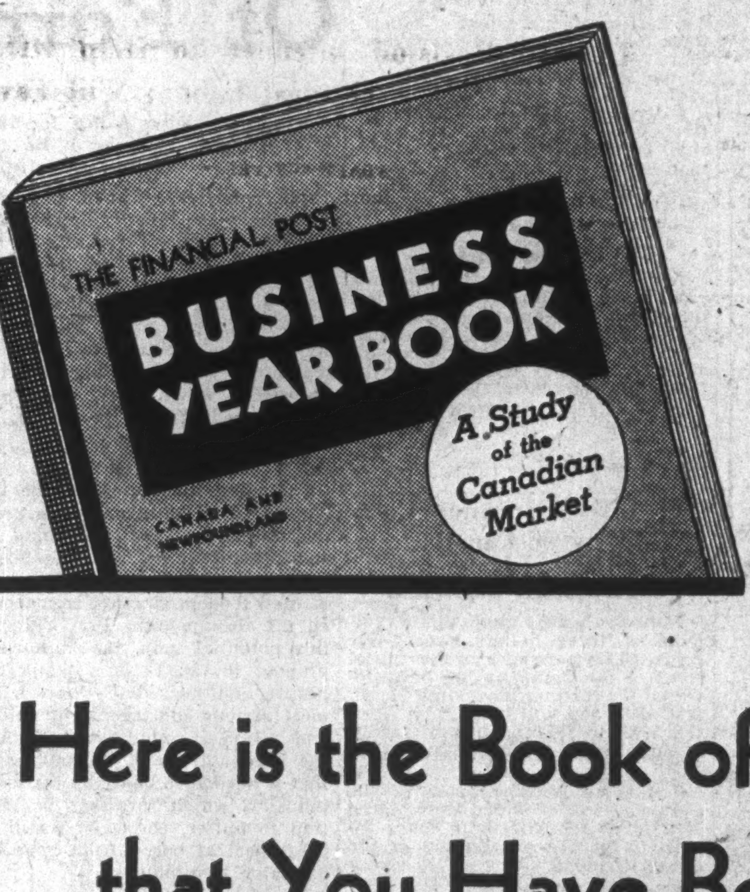
International Mining Corp. has received permission from the S.E.C. to issue its reports within 90 days of the date for which the report is made, instead of within 60 days as required previously. This concession was granted because the company has subsidiaries operating in foreign countries and time is required to secure and tabulate results.



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Demand Deposits Decline

Reflect Tax Payments by Industry – Current Loans Down

An increase in savings deposits, a decline in demand deposits, and declines in call and current loans in Canada, are features of the return of the chartered banks to the Minister of Finance as at Jan. 31.

The rise in savings deposits is a normal development following the decline that occurred in November when the third Victory loan was floated. Investors are now replacing funds withdrawn to buy bonds. Total savings deposits at $1,722 millions were higher than a year ago, but below the high level reached in Jan., 1940, at approximately $1,750 millions.

Decline of $67 Millions

Demand deposits were down $67 millions. The drop is attributed to tax payments by many industrial corporations in January, which reduced their deposits.

Dominion Government deposits, while higher than a year ago, were lower than at the end of December. The government is again financing by deposit certificates sold to the banks, but this policy had not been resumed in time to be reflected in the January return. Consequently government expenditures are reflected directly in the decline.

Current Loans

Current loans in Canada dropped $63 millions from December and $16 millions from Jan., 1942. The drop indicates slackened demand from industry for bank credit, due to the switch over of so many plants to war work financed by Ottawa. Loans by investors to buy Victory loans in November are also lower, as most of the money so advanced has now been paid off.

Call loans are lower in both monthly and yearly comparisons, probably due to short-term financing by merchants over the Christmas rush being cleaned up.

Bank investments were higher, over both the previous month and last year.

Important items in the statement, with comparisons, follow:

Use of Bank Credits
(In Millions of Dollars)

	January 1943	December 1942	Change	January 1942	Change
Loans	1,128.6	1,198.8	−70.2	1,159.0	−30.4
Investment	2,302.4	2,293.2	+9.2	1,915.6	+386.8
Total	3,431.0	3,492.0	−61.0	3,074.6	+356.4
Deposits	3,154.0	3,172.5	−18.5	2,937.6	+216.4
Credit index*	33.7%	35.6	−1.9%	36.8%	−3.1%

*Ratio of current and call loans in Canada to demand and savings deposits in Canada.

ASSETS

	January 1943 $	December 1942 $	Change	January 1942 $	Change
Immediately Available Liquid Assets					
Canadian coin	6,583,379	5,782,927	+800,452	7,489,873	−906,494
Bk. of Can. notes	103,155,583	121,117,838	−17,962,255	87,782,626	+15,372,957
Bk. of Can. deps.	237,661,685	259,737,885	−22,076,200	200,593,408	+37,068,277
Bank's cash	347,400,647	386,638,650	−39,238,003	295,865,907	+51,534,740
Other banks' notes	1,317,907	1,553,842	−235,935	2,371,641	−1,053,734
Gold, sub. coin abd.	2,944,777	2,630,359	+314,418	3,082,536	−137,759
Foreign banks	236,294,116	225,080,603	+11,213,513	166,128,471	+70,165,645
Foreign currency	47,289,926	45,808,640	+1,318,714	29,722,923	+17,567,003
Gov. sec. sht. term	1,262,628,974	1,261,630,845	+998,129	929,747,668	+332,881,306
Do., long term	762,822,904	759,498,798	+3,324,106	744,755,282	+18,067,622
Call loans abroad	70,992,810	73,607,200	−2,614,390	43,845,304	+27,147,506
	3,711,792,061	3,739,247,938	−27,455,877	3,215,632,836	+496,159,225
Loans and Other Securities Other Than Those of Canadian Government					
Municipal secs.	66,792,997	66,963,872	−170,875	75,150,043	−8,357,046
Public secs.†	146,660,125	140,272,419	+6,387,706	75,301,801	+71,358,324
Other secs.	81,508,010	82,866,558	−1,358,548	87,621,983	−6,113,973
Can. call loans	28,811,035	31,221,473	−2,410,438	30,709,320	−1,898,285
Current loans	1,036,223,858	1,099,807,975	−63,584,117	1,052,857,980	−16,634,122
Loans abroad	110,845,012	113,217,112	−2,372,100	137,754,804	−26,909,792
Prov. loans	4,758,105	6,118,812	−1,360,707	9,124,362	−4,366,257
Mun. loans	58,771,458	61,613,772	−2,842,314	66,342,387	−7,570,929
	1,536,370,600	1,604,080,993	−67,710,393	1,537,862,680	−1,492,080
Other Assets					
Non-current loans	3,264,538	3,306,872	−42,344	4,679,395	−1,414,857
Real estate	5,457,324	5,410,991	+46,333	6,495,064	−1,037,740
Mortgages	3,337,905	3,305,302	+32,603	3,330,105	+7,800
Premises	67,691,744	67,784,933	−93,189	69,586,193	−1,894,449
Letters of credit	111,263,158	113,448,675	−2,185,517	124,759,412	−13,496,254
Loans to comp.	11,293,263	10,930,664	+362,599	11,215,401	+77,862
Other assets	2,511,243	2,146,269	+364,974	2,227,652	+283,591
	204,819,165	206,333,706	−1,514,541	222,293,212	−17,474,047
Total	4,452,981,826	4,549,662,637	−96,680,811	3,975,788,728	+477,193,098
Note circ. dep.	4,030,152	4,027,363	+2,789	4,494,872	−464,720
Int. bank bal.	145,254,614	212,880,513	−67,625,899	133,787,749	+11,466,775
Gross	4,602,266,592	4,766,570,513	−164,304,012	4,112,071,349	+489,195,153
Liabilities					
To the Public					
Circulation	59,668,850	61,860,858	−2,192,008	73,612,300	−13,943,450
Dom. Govt.	258,845,538	416,720,782	−157,875,244	99,446,692	+158,398,846
Prov. Govt.	81,496,827	94,750,250	−13,253,423	58,674,069	+22,822,758
Deposits by Public					
Demand dep.	1,431,481,043	1,499,311,099	−67,830,056	1,217,143,619	+214,337,424
Savings dep.	1,722,570,861	1,673,189,283	+49,381,578	1,720,435,653	+2,135,208
Total	3,154,051,904	3,172,500,382	−18,448,478	2,937,579,272	+216,472,632
Foreign dep.‡	555,215,181	544,876,249	−10,338,932	448,572,294	+106,642,887
Due to Banks Abroad					
Bills payable	......	......	......	10,826	−10,826
United Kingdom	30,064,250	30,539,938	−475,688	21,246,851	+8,817,399
Foreign	34,998,181	36,934,260	−1,936,079	31,295,693	+3,702,488
Letters of credit	111,263,158	113,448,675	−2,185,517	124,759,412	−13,496,254
Other liabs.	6,290,280	6,285,484	+4,796	8,630,751	−2,340,471
Total pub. liabs.	4,291,894,169	4,451,210,032	−159,315,863	3,804,528,160	+487,366,009
Due bet. banks	11,258,357	17,465,025	−6,206,668	10,667,312	−591,045
Liability to Shareholders					
Dividends	2,170,889	1,201,832	+969,057	2,085,995	+84,894
Reserve	136,750,000	136,750,000	......	134,750,000	+2,000,000
Capital	145,500,000	145,500,000	......	145,500,000	......
Gross	4,587,573,415	4,752,126,889	−164,553,474	4,097,531,467	+490,041,948

‡Other than Canadian.

Penny Bank to Accept No Further Deposits

The Penny Bank of Ontario has notified its customers that, until further notice, it will receive no further deposits. It will continue to service accounts of present depositors.

The last annual report of the bank showed total deposits of $990,964. These have dropped steadily since the war began, deposits for the fiscal year ended June 30, 1939, being $1,428,225. Investments by the children in war bonds and war savings stamps is given as the reason for the decline.

Staff Changes

The Bank of Nova Scotia announces the following staff changes:

W. J. BUCKLEY, to be accountant, North Hill, Calgary, Alta.

J. H. FRASER, to be accountant, Westboro, Ont.

C. S. ROBERTSON, to be accountant, Kemptville, Ont.

* * *

The Royal Bank of Canada announces the following staff changes:

J. E. MACADAM, to be manager, Standard, Alta.

C. E. ROBERTSON, to be relieving manager, Chippawa, Ont.

W. G. HART, accountant, Bank & Sparks, Ottawa, to be accountant, Tramways Terminal, Montreal.

E. M. MacLEOD, to be accountant, Yonge & College, Toronto.

A. R. MacDONALD, Chippawa, Ont., granted leave of absence to engage in military service.

W. G. BROOKES-AVEY, supervisor's department, Calgary, to be manager, Jasper Ave. West, Edmonton.

D. B. C. CLARKSON, office of the assistant general manager, Toronto, to be manager Yonge & College, Toronto.

D. L. DASHNEY, manager, Bank and Somerset, Ottawa, to be manager, Market branch, Ottawa.

L. A. G. ROBERTSON, to be manager, Bank & Somerset, Ottawa.

E. M. BELL, accountant, Harbord & Spadina, Toronto, to be accountant, Orillia, Ont.

B. L. EASTON, accountant, Prescott, Ont., to be accountant, Bank and Sparks St., Ottawa.

G. D. FEINDEL, accountant Morris & Barrington, Halifax, to be accountant, Quinpool and Oxford, Halifax.

L. S. FOWLER, to be accountant, 3rd St. West, Calgary.

J. B. PRENDERGAST, Market branch, Ottawa, retired on pension.

A. N. DANDO, Hastings and Nanaimo, Vancouver, granted leave of absence to engage in military service.

* * *

The Bank of Montreal announces the following staff changes:

E. B. LAVELLE, manager, Niagara Falls, Ont., to be special representative in assistant general manager's dept., Toronto.

S. L. LUCAS, manager, Stirling, Ont., to be manager, Central Market, Hamilton.

A. E. K. COWLES, manager, Central Market, Hamilton, to be manager, Niagara Falls, Ont.

G. L. JOHNSTONE, manager, West Lorne, Ont., to be manager, Stirling, Ont.

J. W. A. JORDAN, manager, Forest, Ont., to be manager West Lorne, Ont.

W. T. PROVAN, accountant, Sydney, N.S., to be manager, Riverport, N.S.

C. A. SNELL, manager, Riverport, N.S., to be manager, Hartland, N.B.

R. C. MICHELL, manager, Hartland, N.B., to be manager, Shediac, N.B.

C. S. GRENACHE, manager, Shediac, N.B., to be manager, Lunenburg, N.S.

A. A. MACARTNEY, manager, Lunenburg, N.S., to be manager, Richmond, Que.

H. N. BECKER, manager, Richmond, Que., to be manager, Renfrew, Ont.

W. J. SMITHERS, manager, Renfrew, Ont., to be manager, Kitchener, Ont.

* * *

The Canadian Bank of Commerce announces the following staff changes:

L. T. GARON, manager, Windsor, Que., to be manager, Rouyn, Que.

R. A. GAGNON, manager, Rouyn, Que., to be manager, Windsor, Que.

Weekly Bank Clearings

	Mar. 4 $	Change Year ago %	Feb. 25 1943 $
Halifax	4,293,847	−6.5	3,536,055
Saint John	2,689,532	−6.9	2,285,370
Moncton	1,472,885	+15.4	1,036,169
Sherbrooke	1,253,558	+18.2	804,170
Quebec	6,381,235	+1.6	4,486,756
Montreal	178,456,938	+11.9	124,700,866
Ottawa	79,627,588	−32.8	47,418,367
Kingston	822,540	+5.8	757,843
Peterborough	915,902	+10.6	806,201
Toronto	201,328,719	+9.8	152,454,284
Hamilton	8,325,464	+1.2	6,694,573
St. Catharines	1,565,870	+6.6	1,452,708
Kitchener	1,000,649	−33.4	1,257,728
Brantford	1,416,127	+16.6	1,092,984
London	3,444,793	−25.1	2,552,957
Chatham	681,262	−16.1	690,064
Windsor	4,811,032	+13.9	4,227,649
Sarnia	784,846	+39.7	649,605
Sudbury	798,666	−7.6	1,045,969
Winnipeg	47,915,116	−7.7	48,667,930
Brandon	493,176	+2.3	412,607
Regina	3,821,671	−25.3	6,766,172
Moose Jaw	863,606	+37.6	760,972
Saskatoon	1,955,143	+13.5	1,787,540
Prince Albert	558,788	+12.5	496,423
Edmonton	8,116,564	+19.3	6,300,619
Calgary	6,751,760	−0.7	6,720,171
Lethbridge	783,693	+37.1	685,608
Medicine Hat	328,324	+15.9	337,038
N. W'minster	875,880	−6.6	709,014
Vancouver	30,344,572	+28.0	28,726,792
Victoria	2,468,794	+8.7	1,891,572

Farm Machinery Quotas Increased by W. P. T. B.

Upward Revision Intended to Help Offset Shortage of Agricultural Labor; Will Favor Dairying, Poultry Raising, Other Lines

By STAFF WRITER

OTTAWA.—Because of the shortage of farm manpower, an upward revision has been made in the quota of new machines and of replacement parts the farm implement industry may produce in 1943.

Over all production of new machines is raised from 25% to 30% of the tonnage produced in 1940.

Over all production of repair parts is raised from 150% to 165% of the tonnage produced in 1940.

In distributing this increased tonnage, consideration has been given to the most critical spots in the farm manpower picture. Thus, the number of milking machines which may be produced in 1943 is now increased to 200% of the number available in 1940. More grain grinders will also be permitted.

Generally speaking, machinery which is of most importance in dairying, poultry farming and other areas where the manpower shortage is greatest, benefits most.

The New Quotas

On the basis of the new percentages, the combined output of machines, repair parts and attachments which will be available in 1943 will be approximately 52% of the over-all supply in 1940.

The old quota produced an over all supply of approximately 42.5% of the 1940 supply.

In terms of dollar value this probably indicates a Canadian production for home consumption (at present retail prices) of about $16 millions in 1943, and a total supply of machines and parts (including imports) of about $33 millions.

This compares with retail sales of about $60 millions in 1940 and $62.7 millions in 1941.

In working out the programme, there has been close co-operation between Administrator H. H. Bloom of the Wartime Prices and Trade Board, and officials of the Department of Agriculture. The new quotas are based on what machines are most needed. Actual increase allowed by the quotas is about 5,200 tons.

Some Decreases

In order to allow for every substantial increases in certain items, tonnage of other machines has been reduced in some cases. There is no change in the over all tonnage of machines and repair parts which may be manufactured in Canada for Great Britain and other countries. The earlier over all tonnage of 83% for Great Britain in 1943, as compared with 1940, still stands.

As a result of the simplification programme which the farm implement industry undertook to save tonnage, the number of types and varieties has been very greatly reduced. The original 435 types have been reduced to 77 types of machinery for western Canada and 117 for eastern Canada.

Two factors have aggravated the farm machinery problem—

(1) Inventory of farm machinery normally amounts to about 30% of total sales. When the Canadian industry was called on to make its present cut in tonnage, inventories had dropped to between 5 and 8%.

(2) Canadian farmers had not gone nearly so far as had U. S. farmers in replacing old and obsolete machinery following the depression.

Replacement ratio in Canada was estimated at only about 70% compared with 119% in the United States. These figures are based on the sales of new and repair parts in the base period 1924-29. Put another way, it was estimated that the deficit of farm machinery requirements in Canada in 1936, was something over $200 millions. Canadian farmers got little opportunity compared with U. S. farmers to overcome this "backlog." It was for this reason that Canadian farm machinery plants were originally allowed a larger tonnage quota than U. S. plants.

Alberta Starts Postwar Fund With $1 Million

Expect 1943-4 Deficit of $291,810 As Revenues Decline; Won't Accept Bondholders' Refunding Offer

With a substantial surplus assured for the year ending Mar. 31, 1943, Alberta proposes to pass a supplementary appropriation of $1 million chargeable against 1942-43 operations. This appropriation will form the nucleus for a postwar reconstruction fund that will help to lighten some of the province's burden when revenues may be expected to decline.

Hon. Solon Low, provincial treasurer, has reported to the Legislature that "the financial statement for the nine months' period of the current fiscal year indicates that we can anticipate a substantial surplus on all accounts to report when the accounts are closed at the end of the year." In his budget forecast a year ago, Mr. Low estimated 1942-43 surplus at $229,574. Indications are that this figure will be exceeded.

Deficit Next Year

For the fiscal year ending Mar. 31, 1944, Mr. Low estimates a deficit of $291,809. No new taxes or tax increases are proposed for the 1943-44 year. Estimates for the two fiscal years compare as follows:

Est. Income and Expenditure

	—Fiscal Years— 1943-44 $	1942-43 $
Revenue:		
Income account	20,941,197	21,268,724
Capital account	985,630	957,811
Total revenue	21,926,827	22,226,535
Expenditures:		
Income account	18,612,479	17,798,237
Capital account	2,475,688	2,520,662
Net stat. payments	564,025	707,025
Unemploymt. relief & youth training	566,445	971,037
Total exps.	22,218,637	21,996,961
Est. over-all deficit	291,810	*229,574

*Surplus.

On the outlook, the provincial treasurer commented:

"While there are very real evidences of growth and expansion of business in this province due largely to wartime activities, our resources of revenue for the duration are restricted. We cannot expect further expansion of our receipts under existing conditions, and it may become increasingly difficult for us to keep our expenditures within our income in the years immediately ahead. Great care will be necessary in the management of our financial affairs."

Motor Revenue Lower

In the income account motor vehicle license revenue for 1943-44 is estimated at $1,150,000, a decrease of $331,000 in anticipation of decreased registration; and, for the same reason, a reduction of $152,000 is expected in revenue from trucks and buses. Partly offsetting these decreases are estimated increases of $75,000 in treasury branch earnings. Estimated profits of the liquor control board remain at $2.9 millions. Last year's estimate was expected to be well exceeded but this year's forecast is expected to be in line with actual results.

Among expenditures there is increased provision for grants to schools of $224,000 along with an increase of $51,000 in grant to the university. A grant of $10,000 is being made to the university for erection of a blood plasma plant from which it is proposed to furnish to every hospital in Alberta an adequate supply of processed plasma at cost.

Reduce Debt

Mr. Low reported that the net funded and unfunded debt at Dec. 31, 1942, amounted to $140.9 millions as compared with $143.1 millions a year earlier, a net decrease for the calendar year of $2.2 millions. This decrease includes a reduction of $812,123 made in the funded debt due to accretions to the sinking funds of $693,075 and sundry payments on treasury bills held by the Dominion, in addition to cancellation of Alberta registered stock totalling $119,048. The unfunded debt shows a decrease of $1,148,254 occasioned by a reduction in savings certificates and an increase in cash and investments of $1,131,536 which is set off against the unfunded portion of the debt.

Debt Refunding

Mr. Low reviewed last summer's negotiations over refunding Alberta's debt, the talks breaking down when the province insisted on a 3½% basis and the bondholders' representatives on 4%. Mr. Low told the Legislature that if the debt were refunded at 4%, increase in interest charges over the present amount provided (i.e. half interest) would be $1,792,000 a year. Recognition of past due interest from June 1, 1936, would involve an addition to the debt, and provision over a term of years of up to $22 millions as at Mar. 31, 1943.

Total Insurance Now $7.9 Billions

Rose in 1942 From $7.3 Billions Year Before

Total insurance in force in Canada at the end of 1942 totalled $7.9 billions, compared with $7.3 billions the year before.

Insurance effected during the year was $818.9 millions compared with $688 millions, while premiums at $215 millions compared with $203 millions in 1941.

	1942 $	1941 $
Ins. in force	7,872,891,155	7,348,553,667
Ordinary	5,905,321,910	5,536,200,679
Industrial	1,071,312,284	993,087,813
Group	896,256,961	819,265,175
With Can. cos.	5,184,568,369	4,835,928,584
With British & U. S. co.s	2,688,322,786	2,512,615,083
Ins. effected	818,939,114	688,327,658
Ordinary	630,832,479	513,148,638
Industrial	134,994,826	132,704,452
Group	53,111,809	42,474,568
Premiums	215,817,714	203,459,238
Annuity Cons.	14,949,246	16,029,295
Fraternal bus. in force	195,040,479	182,552,870
Can. societies	118,235,625	111,019,989
Fgn. frat'als	76,804,854	71,532,881

Insurance Notes

Harry B. Wilson has been appointed superintendent of agencies of the Norwich Union Fire Insurance Society Ltd. for Ontario. Mr. Wilson has been with the Norwich Union for 22 years and has served in practically all departments of the business.

* * *

A. H. Stoddart has been appointed assistant manager of the Vancouver branch of the Royal Insurance Co. This branch is under the direction of **F. H. Lecouteur** who continues as manager.

* * *

C. K. Beveridge, manager, Provincial Insurance Agency, Saint John, N.B., was elected president of the New Brunswick Board of Fire Underwriters at its annual meeting. He succeeds **F. W. Coombs** and will hold office for two years. **F. C. Mortimer** was elected vice-president. Members of the board represent more than 100 fire and casualty companies.

* * *

At the February meeting of the Life Underwriters Association of Toronto, **A. E. Wall**, inspector of field services of the Confederation Life Association, stated that life insurance was a good way of combining family defense with national defense, enabling the individual not only to make provision for his family but to participate in the purchase of Victory bonds through his life insurance company.

Dominion Coal reports production of coal at its 10 Cape Breton collieries in February was 280,172 tons, as against 279,531 for January and 368,002 for February of last year. Loss of skilled workers to the services is regarded as responsible for the drop from a year ago.

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During this month of March, your Red Cross is asking for ten million dollars.
THE PURPOSE is to carry comfort and relief to suffering humanity. Our sailors, soldiers and airmen on the battlefronts and in hospitals—prisoners of war—shipwrecked sailors—homeless war orphans—the sick and starving victims of war in many lands all rely on food, medicine, comforts and care provided by your generosity through your Red Cross.
We all must support the Red Cross. Welcome the representative, a busy person giving of his or her time. Do not ask for a second call—have your contribution ready. "He gives twice who gives quickly."
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Position of Chartered Banks of Canada as of January 30, 1943, Shown by Monthly Returns to Minister of Finance

LIABILITIES

NAME OF BANK	Notes in Circulation $	Deposits by and Bal. Due to Dominion Government $	Deposits by and Bal. Due to Provincial Governments $	Advances from Bank of Canada $	Demand Deposits in Canada $	Savings Deposits in Canada $	Deposits Elsewhere▲ $	Bal. due to other Banks in Canada $	Due to Banks in U.K. $	Due to Banks Elsewhere $	Bills Payable $
Montreal	13,724,954	118,722,738	19,436,173	......	366,111,258	419,317,240	116,741,005	2,844,899	9,282,204	11,041,515	......
Nova Scotia	4,943,490	16,506,797	2,322,195	......	88,065,134	155,552,777	63,986,781	2,519,505	1,804,242	2,342,793	......
Toronto	1,820,629	13,457,512	2,493,648	......	66,474,256	97,038,537	347,627	104,703	981,111	538,568	......
Provinciale	1,579,938	1,917,944	293,775	......	15,915,948	49,216,591	19,068	4,835	......	37,972	......
Commerce	12,466,708	27,848,540	17,573,375	......	280,705,548	339,887,668	88,272,147	726,882	9,333,801	5,927,149	......
Royal	16,888,173	45,764,717	17,971,593	......	410,049,108	360,685,794	271,762,532	18,842	3,896,727	11,487,744	......
Dominion	2,103,691	9,372,486	1,727,759	......	70,715,528	83,632,140	9,148,944	1,881,268	732,412	323,209	......
Nationale	2,897,357	6,603,385	1,353,601	......	52,082,071	115,025,978	402,068	1,662,635	26,401	729,273	......
Imperial	2,638,150	15,504,321	18,318,965	......	76,159,039	96,502,935	1,246,402	1,394,150	1,262,736	843,182	......
Barclays (Canada)	605,765	3,147,098	5,748	......	5,203,158	5,711,201	3,198,607	100,944	3,044,616	1,726,776	......
Total	59,668,850	258,845,538	81,496,827	......	1,431,481,043	1,722,570,861	555,215,181	11,258,357	30,064,250	34,998,181	......

NAME OF BANK	Letters of Credit outstanding $	Other Liabilities $	Dividends Declared and unpaid $	Reserve Fund $	Capital Paid Up $	Total Liabilities $
Montreal	16,991,848	2,421,053	557,619	39,000,000	36,000,000	1,172,192,510
Nova Scotia	22,639,156	839,250	12,873	24,000,000	12,000,000	397,224,998
Toronto	1,674,841	......	152,491	12,000,000	6,000,000	203,083,922
Provinciale	48,432	5,297	3,876	1,000,000	4,000,000	74,043,676
Commerce	28,179,425	......	476,750	20,000,000	30,000,000	861,397,998
Royal	30,959,438	1,989,581	570,941	20,000,000	35,000,000	1,227,044,890
Dominion	5,767,384	981,769	140,921	7,000,000	7,000,000	200,527,811
Nationale	419,933	45,597	110,456	5,000,000	7,000,000	193,448,760
Imperial	3,584,308	......	144,962	8,000,000	7,000,000	232,599,156
Barclays (Canada)	998,393	17,682	......	750,000	1,500,000	26,009,994
Total	111,263,158	6,290,229	2,170,889	136,750,000	145,500,000	4,587,573,415

SUPPLEMENTARY INFORMATION

NAME OF BANK	Capital Authorized $	Capital Subscribed $	Last Dividend %	†Loans to Directors and firms of which they are partners $	Average Notes and Deposits with Bank of Can. $	Greatest Amount of Notes in Circ. $
Montreal	50,000,000	36,000,000	6	170,461	93,748,653	14,313,232
Nova Scotia	15,000,000	12,000,000	10	1,617,370	31,182,000	5,633,216
Toronto	10,000,000	6,000,000	10	592,201	17,575,463	1,959,604
Provinciale	5,000,000	4,000,000	5	134,632	7,232,308	1,630,233
Commerce	50,000,000	30,000,000	6	1,083,421	73,156,499	13,146,804
Royal	50,000,000	35,000,000	6	939,139	90,692,019	17,229,298
Dominion	10,000,000	7,000,000	8	597,493	19,969,896	2,274,166
Nationale	10,000,000	7,000,000	6	232,040	19,865,413	2,934,872
Imperial	10,000,000	7,000,000	8	456,820	16,177,511	2,757,705
Barclays (Canada)	1,500,000	1,500,000	......	8,853	1,751,487	614,655
Total	211,500,000	145,500,000	......	5,832,430	371,351,249	61,893,785

▲ Of this amount, $54,516,568 represents deposits in Canada in currencies other than Canadian. † And loans for which they are guarantors.

ASSETS

NAME OF BANK	Gold and Subsidiary Coin held in Canada $	Gold and Subsidiary Coin held Elsewhere $	Notes of Bank of Canada $	Deposits with Bank of Canada $	Notes of Other Banks $	Govt. and Bank Notes other than Canadian $	Cheques on other banks $	Balances due by other banks in Canada $	Due by banks in U.K. $	Due by banks elsewhere $
Montreal*	1,510,532	44,117	23,573,842	60,385,764	400,460	681,701	35,426,620	......	26,983,218	41,800,083
Nova Scotia	441,401	890,416	9,412,290	18,967,751	99,809	10,677,417	10,564,153		12,397,613	19,784,345
Toronto	320,256	......	5,205,647	9,112,031	39,720	67,150	6,074,448		249,300	2,818,008
Provinciale	309,388	......	2,376,127	4,073,497	45,160	32,479	2,758,776	2,736	16,444	1,015,046
Commerce†	1,027,529	160,843	19,128,354	52,966,851	123,669	3,479,053	22,418,474	676	5,163,840	34,264,518
Royal	1,606,173	1,849,323	27,395,259	57,791,702	374,854	32,106,233	43,107,850	13,251	18,849,329	51,220,245
Dominion	293,420	78	2,728,460	11,548,119	69,285	93,752	5,460,396	......	1,890,443	6,241,860
Nationale	703,383	......	6,965,154	9,731,961	85,920	67,539	7,462,099	1,060,483	83,608	1,971,946
Imperial	363,316	......	6,252,318	11,837,815	76,355	81,937	6,231,654	666,903	423,840	5,032,607
Barclays (Can.)	7,981	......	118,128	1,261,194	2,675	2,665	341,224	663,883	1,628,066	4,546,067
Total	6,583,379	2,944,777	103,155,583	237,661,665	1,317,907	47,289,926	142,844,604	2,407,930	67,696,801	168,697,815

NAME OF BANK	Govt. sec. short term $	Govt. sec. long term $	Canadian municipal securities $	Public sec. other than Canadian $	Other bonds and stocks $	Call and short loans in Canada $	Call and short loans elsewhere $	Current loans in Canada $	Current loans elsewhere $
Montreal*	387,203,353	175,712,676	14,236,477	55,795,818	19,662,445	3,195,264	25,875,663	227,782,406	15,882,222
Nova Scotia	79,939,944	62,651,190	9,941,251	3,693,873	10,379,991	3,008,722	1,630,968	98,856,304	12,968,336
Toronto	69,342,249	38,330,941	1,731,380	......	3,786,837	1,306,134	......	57,308,432	......
Provinciale	18,222,751	13,187,126	9,878,238	......	1,264,449	2,777,834	......	13,336,784	......
Commerce†	200,191,156	155,868,959	3,842,787	33,252,272	8,844,657	6,862,794	14,027,216	223,583,192	20,385,930
Royal	328,080,665	191,209,472	9,570,662	52,855,756	31,729,202	5,489,468	25,861,225	225,810,627	61,216,305
Dominion	57,950,803	39,052,201	1,079,785	997,018	1,732,768	1,006,999	3,597,738	64,349,619	422,219
Nationale	61,325,800	36,876,823	14,325,963	17,388	3,382,892	2,852,209	......	44,232,259	......
Imperial	59,961,617	42,792,589	5,175,484	......	34,760	2,160,511	......	77,629,177	......
Barclays (Can.)	4,710,644	7,100,821	1,000	48,000	......	152,100	......	3,635,068	......
Total	1,262,628,974	762,822,904	66,792,997	146,660,125	81,508,010	28,811,035	70,992,810	1,036,223,858	110,845,012

NAME OF BANK	Loans to provincial governments $	Loans to municipalities $	Non-Current loans $	Real estate other than Bank premises $	Mortgages on real estate $	Bank Premises $	Deposit for note circulation $	Other assets $	Total assets▲ $
Montreal*	1,488,500	20,941,197	320,322	177,540	491,125	13,900,000	905,058	1,918,494	1,173,295,758
Nova Scotia	94,585	1,430,403	328,806	......	79,783	5,741,380	343,414	2,262,942	398,526,258
Toronto	......	2,490,352	14,999	......	12,686	2,969,210	175,559	68,805	203,998,995
Provinciale	14,007	1,956,581	31,158	383,018	240,482	2,037,702	106,971	126,761	74,311,955
Commerce†	791,012	9,129,484	960,238	2,042,056	827,894	13,677,333	800,000	4,725,446	866,695,642
Royal	1,001,737	14,847,915	1,193,469	1,424,036	800,805	13,429,697	1,110,000	4,099,368	1,230,304,088
Dominion	642,977	746,015	128,845	25,403	22,378	5,198,039	184,167	200,440	201,414,733
Nationale	404,808	[illegible]	146,567	1,377,028	707,538	4,620,196	178,537	341,260	193,886,281
Imperial	320,459	3,096,446	138,627	27,343	155,214	5,396,463	194,756	53,873	233,789,376
Barclays (Can.)	......	......	1,407	......	......	721,724	31,690	6,992	26,043,416
Total	4,758,105	58,771,458	3,264,538	5,457,324	3,337,905	67,691,744	4,030,152	13,804,390	4,602,266,592

*The business of the Bank in San Francisco, U.S.A., is carried on under the name of locally incorporated companies and the figures are incorporated in the above statement.—Footnote to Bank of Montreal return.

†The Canadian Bank of Commerce (California) has been incorporated under the laws of the State of California to conduct the business of the Bank in that State and the assets and liabilities of the Canadian Bank of Commerce (California) are included in the above general statement:—Footnote to Canadian Bank of Commerce return.

▲Total assets include $111,263,158 letters of credit outstanding as shown in liabilities.

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C. P. R. Earnings Trend Reversed

From Our Own Correspondent

MONTREAL. — Canadian Pacific Railway's net operating income in January declined 29.7% from the same month a year ago.

Gross earnings at $18.9 millions, were up $267,648, but working expenses increased $1.2 million, leaving net earnings at $2,240,655. This compares with $3,184,062 in Jan., 1942.

Postwar Planning

Peoria Draws a Blueprint

Where Most Industries Have Postwar Planners

By RONALD A. McEACHERN
Editor of The Financial Post

Last week Ronald A. McEachern, editor of The Financial Post, told how U. S. business is rallying to meet the postwar challenge under the Committee for Economic Development. He described what is being done in Peoria, where postwar planning on a community scale is probably further ahead than in any other city. In this article he tells how individual industries are supplementing the community planning with programmes of their own.

PEORIA, ILLINOIS. — Today virtually every Peoria industry has its own postwar planning executive or committee.

Their object is to supplement the broader planning which is being done in this mid-west community and to dovetail their own plants into the general picture.

They have a continuing assignment, covering every phase of each company's operations: products, sales, finance. And, like measles, the idea spreads, because when one plant is doing specific work now on postwar, the plant next door is almost forced to do so.

The fact that individual industries have caught the planning enthusiasm, have started preparations now for switching into peace production without laying off workers, is a vital part of the whole Peoria scheme, which has attracted so much attention across the United States. It is also one of the reasons why the Committee for Economic Development, which heads up the planning effort on a national scale, is watching Peoria so closely.

Committee for Each

Just what the postwar plans of individual Peoria industries are cannot be revealed. Competitors would very much like to know. Actual postwar plans are now the most precious of company secrets.

But those that were revealed to me involve no magic, no fancy schemes. They are just the normal decisions of men who know how to produce and how to sell and how to organize—intensified and somewhat magnified perhaps because these executives are determined that their business shall carry its full share of the additional national load that must be carried by all business if the goal of full employment is to be achieved and disastrous depression to be averted.

One Peoria planner has everything down so black and white for his firm's future that he has an undertaking that the day the shooting stops, whenever that will be, finances will be immediately available for conversion and expansion.

Plans are Definite

One washing machine manufacturer, now engaged wholly on making an ammunition component, knows exactly what he is going to do with the dies he used before the war and what kind of a new product he is going to produce. He also knows all that new materials, like plastics, laminated wood, magnesium and aluminum can mean to his postwar product.

One plant making heavy products has made up its mind that, when the shooting stops, it will immediately go to work turning out the models it stopped making when war commenced. It is caring for its tools, presses, equipment against that day.

Meanwhile, its engineering and research staffs have been increased and the work on new products is intensified. Its postwar models are now going onto paper. Its experience is that all the research and engineering it is doing today helps to serve the war effort now as well as improving its position for peace.

A plant which has been selling a tremendous volume of equipment to the armed services has this problem: Much of that equipment might, at war's end, be dumped back on the civilian market to choke off postwar demand. This firm is meeting that problem by speeding up its development programme by years. Postwar models will be so new and up to date that prewar models will be obsolescent.

Because of the nature of products dominating the Peoria industrial picture, conversion to war was relatively simple. Caterpillar, LeTourneau (scrapers, earth-moving machinery, etc.) and some complementary manufacturers obviously had as their first and main duty continued production of their usual products. Their specific wartime problem was handling some new war jobs, such as tank transmissions, etc. Keystone Steel and Wire similarly had its first wartime obligation in continuing, with some modifications, its peacetime production.

Hiram Walker, world's largest distillery, could turn a few taps and turn out nothing but industrial alcohol instead of whisky.

Most drastic industrial changeover for war took place at the ABC Washing Machine plant of Altorfer Bros. Co., who are now making ammunition components.

No government money has been put into plant or machine expansion in the Peoria area. No military camps are near to create a special and temporary pressure on the city's service economy.

City of Enterprise

And Peoria has in the past been fortunate in the enterprising record of its industrial executives. The great and steady growth of Caterpillar is known to everybody. Not so familiar perhaps is the fact that there was no depression for Caterpillar even in the darkest years of the thirties. Caterpillar engineers were able in 1931 to bring out their Diesel engine, a Diesel engine adaptable to small, low cost installations and to motive power equipment. Diesel had long been used in boats, in big power house installations. Caterpillar adapted the Diesel down to truck engine size and weight, gave it a thousand brand new applications, and gave Caterpillar a record of steady growth during the black years.

Peoria has also been blessed by the enterprise of R. T. (Bob) LeTourneau, a past president of the Gideons and a businessman who preaches frequently in churches, including some in Canada.

Mr. LeTourneau used to be a contractor in California. As power plants on tractors got bigger and better, the need for scraping and dirt moving machinery climbed also. LeTourneau had a remarkable streak of inventive genius, plus rule of thumb engineering sense. Now the LeTourneau dirt moving machinery goes all over the world and his great Peoria plant has known nothing but growth.

Keystone Steel and Wire has a long history of fence making for the farms of the great plains and now makes scores of other steel products. It has long been one of the thriving, stabilizing influences in the community.

No Cosmic Changes

The Hiram Walker distillery did $150 millions of business last year, is now manufacturing nothing but industrial alcohol. This "branch plant" of a Canadian company (it's the biggest distillery in the world) has done a good deal of growing in recent decades.

The business foresight which these firms showed in the past is now being directed on the future, and on the all-important job of proving, after we win the war, that we can also win the peace.

Confidence that peace and a large measure of security can and will be won is felt by everybody in Peoria—and with reason.

CONSERVATIONIST

Mrs. H. M. Aitken, Toronto, has been appointed to head up a conservation campaign of the consumer branch of Wartime Prices and Trade Board. Object of the campaign: To impress the need for saving food, clothing, household equipment. Mrs. Aitken is widely known as a writer and lecturer on household economics.

Score a hit on your next duplicating job. Load up with Script Mimeo Bond. There's less chance of clogging and plucking when you use this fine mimeographing stock. Its fuzz-free surface forestalls trouble, saves time, temper and paper. You'll score a non-stop record with popular Script Mimeo Bond. Take your choice of white, blue, green, buff or pink at leading dealers everywhere.

FOR A NON-STOP RUN, PUT IT ON
Script mimeo
BOND
A PROVINCIAL PAPER

Canadian Car & Foundry Co. has carried out initial tests on the new Mark V. Anson airplane which is being produced at the Amherst plant. The Mark V. is of heavier weight and has more powerful engines than the former trainer type assembled at Amherst and will have more speed. General construction for this plane will be begun shortly, though the test plane will be torn down, rechecked and then reassembled.

Canadian Celanese Ltd. in addition to the regular quarterly payment, has declared a participating dividend of 94 cents a share on the preferred stock, both payable March 31 to shareholders of record March 15. This compares with a participating dividend of $1.15 a share paid at this time last year. Directors also declared the usual quarterly of 25c. plus the usual extra of 25c. on the common.

PROFESSIONAL DIRECTORY

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